

THURSDAY, APRIL 16, 2015

TWENTY-FIFTH LEGISLATIVE DAY

The House met at 9:00 a.m. and was called to order by Madam Speaker Harwell.

The proceedings were opened with prayer by Wellington Johnson, Sr. and Terry Campbell, Word of Faith Church, LaVergne, TN.

Representative Sparks led the House in the Pledge of Allegiance to the Flag.

ROLL CALL

The roll call was taken with the following results:

Present..... 93

Representatives present were Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Farmer, Favors, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, McManus, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Williams, Wirgau, Womick, Madam Speaker Harwell -- 93

EXCUSED

The Speaker announced that the following members have been excused, pursuant to requests under **Rule No. 20**:

Representative Carr; illness

Representative Gilmore

Representative Spivey; business

PRESENT IN CHAMBER

Rep. Stewart was recorded as being present in the Chamber.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Joint Resolution No. 218 Rep. Hardaway as prime sponsor.

House Joint Resolution No. 350 Reps. Clemmons and Hardaway as prime sponsors.

House Joint Resolution No. 351 Rep. Hardaway as prime sponsor.

House Joint Resolution No. 362 Rep. Swann as prime sponsor.

House Joint Resolution No. 363 Rep. Clemmons as prime sponsor.

House Joint Resolution No. 370 Rep. Calfee as prime sponsor.

House Joint Resolution No. 371 Rep. Calfee as prime sponsor.

House Bill No. 556 Rep. Hardaway as prime sponsor.

House Bill No. 606 Reps. Daniel and Powers as prime sponsors.

House Bill No. 619 Rep. Hardaway as prime sponsor.

House Bill No. 644 Rep. Towns as prime sponsor.

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Bill No. 602; passed by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

***Senate Bill No. 602** -- Taxes - As introduced, increases, from five and one-half percent to six percent, the rate of tax imposed on health maintenance organizations (HMOs) doing business in this state on the gross amount of dollars collected from an enrollee or on an enrollee's behalf. - Amends TCA Section 56-32-124. by *Norris. (HB643 by *McCormick)

MESSAGE FROM THE SENATE
April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Bill No. 107; passed by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

***Senate Bill No. 107** -- Tobacco, Tobacco Products - As introduced, revises provisions related to information reports of sales of beer and tobacco products. - Amends TCA Title 67, Chapter 1 and Title 67, Chapter 6. by *Norris, *Watson. (HB96 by *McCormick, *Brooks K, *Matlock)

PERSONAL ORDERS

RECOGNITION IN THE WELL

Representative Smith was recognized in the Well to honor Andrew Michael Keith, Public Safety Medal of Valor.

RESOLUTION READ

The Clerk read House Joint Resolution No. 106, adopted February 26, 2015.

House Joint Resolution No. 106 -- Memorials, Heroism - Andrew Michael Keith, Public Safety Medal of Valor. by *Smith.

RESOLUTIONS

Pursuant to **Rule No. 17**, the following resolutions were introduced and placed on the Consent Calendar for April 20, 2015:

House Resolution No. 76 -- Memorials, Academic Achievement - Asha A. Cathey, Salutatorian, Melrose High School. by *Hardaway.

House Resolution No. 77 -- Memorials, Academic Achievement - Linnie Jiang, Valedictorian, White Station High School. by *Hardaway.

House Resolution No. 78 -- Memorials, Academic Achievement - Eric Sah, Salutatorian, White Station High School. by *Hardaway.

House Resolution No. 79 -- Memorials, Academic Achievement - Kelly Yuan, Salutatorian, White Station High School. by *Hardaway.

House Resolution No. 80 -- Memorials, Academic Achievement - Taylor Nicole Haywood, Salutatorian, Memphis Academy of Health Sciences. by *Hardaway, *Akbari, *Camper, *Coley, *Cooper, *DeBerry, *Lollar, *McManus, *Miller, *Parkinson, *Todd, *Towns, *Turner, *White M.

House Resolution No. 81 -- Memorials, Academic Achievement - Chelsey Danielle Jones, Valedictorian, Memphis Academy of Health Sciences. by *Hardaway.

House Resolution No. 82 -- Memorials, Academic Achievement - Chulisia K. Pierce, Valedictorian, Memphis Health Careers Academy. by *Hardaway.

House Resolution No. 83 -- Memorials, Academic Achievement - Cartavius L. Turner, Salutatorian, Memphis Health Careers Academy. by *Hardaway.

House Resolution No. 84 -- Memorials, Academic Achievement - Dellarontay A. Readus, Valedictorian, Melrose High School. by *Hardaway.

House Resolution No. 85 -- Memorials, Interns - Shaunice Passmore. by *Cooper.

House Resolution No. 86 -- Memorials, Sports - Lighthouse Christian School's girls' basketball 2015 State Champions. by *Shaw, *Eldridge.

House Resolution No. 87 -- Memorials, Interns - Ashley K. Hayes. by *Shaw, *Eldridge.

House Resolution No. 88 -- Memorials, Congratulations - H. C. and Dolores Milam Isbell, 70th wedding anniversary. by *Wilburn.

House Resolution No. 89 -- Memorials, Interns - Meghan Treece. by *Dunn, *Kane.

House Resolution No. 90 -- Memorials, Interns - Colton Lee Adams. by *Dunn.

House Joint Resolution No. 379 -- Memorials, Interns - Brandon Woodruff. by *Marsh.

House Joint Resolution No. 380 -- Memorials, Recognition - Philip and Debra Beech, Tennessee Forestry Association's 2014 Tennessee Tree Farmers of the Year. by *Reedy, *Lollar, *Halford, *Holt.

House Joint Resolution No. 381 -- Memorials, Interns - Robert Leonard. by *McCormick.

House Joint Resolution No. 382 -- Memorials, Retirement - Dr. Tim Harrison. by *Hawk.

House Joint Resolution No. 383 -- Memorials, Death - Charles Phillip Clinard Sr. by *Powell.

House Joint Resolution No. 384 -- Memorials, Academic Achievement - Nola G. Madison, Salutatorian, Northside High School. by *Hardaway.

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House Joint Resolution No. 385 -- Memorials, Academic Achievement - Amber J. Mitchell, Valedictorian, Northside High School. by *Hardaway.

House Joint Resolution No. 387 -- Memorials, Congratulations - Foothills Elementary School, 2014 National Blue Ribbon School. by *Swann, *Ramsey.

House Joint Resolution No. 388 -- Memorials, Retirement - Sharon Peters. by *Jones.

House Joint Resolution No. 389 -- Memorials, Academic Achievement - T'Angela J. Knight, Valedictorian, Whitehaven High School. by *Camper.

House Joint Resolution No. 390 -- Memorials, Academic Achievement - Brittanei N. Wells, Salutatorian, Whitehaven High School. by *Camper.

House Joint Resolution No. 391 -- Memorials, Academic Achievement - Kayla D. Adams, Valedictorian, Overton High School. by *Camper.

House Joint Resolution No. 392 -- Memorials, Academic Achievement - Iris Ramirez, Salutatorian, Overton High School. by *Camper.

House Joint Resolution No. 393 -- Memorials, Academic Achievement - Asha Leveria Kince, Valedictorian, Hillcrest High School. by *Camper.

House Joint Resolution No. 394 -- Memorials, Academic Achievement - Ramon Gutierrez, Salutatorian, Hillcrest High School. by *Camper.

House Joint Resolution No. 395 -- Memorials, Academic Achievement - Claudia Andrade Sanchez, Valedictorian, Wooddale High School. by *Camper.

House Joint Resolution No. 396 -- Memorials, Academic Achievement - Crystal Garrett, Salutatorian, Wooddale High School. by *Camper.

House Joint Resolution No. 397 -- Memorials, Academic Achievement - Zachary Bible, Valedictorian, McClain Christian Academy. by *Pody.

House Joint Resolution No. 398 -- Memorials, Academic Achievement - Esthela Rios, Salutatorian, Oakhaven High School. by *Towns.

House Joint Resolution No. 399 -- Memorials, Academic Achievement - Lisa Adams, Valedictorian, Oakhaven High School. by *Towns.

House Joint Resolution No. 400 -- Memorials, Academic Achievement - Kyle J. Cooper, Salutatorian, Heritage Christian Academy. by *Lynn.

House Joint Resolution No. 401 -- Memorials, Interns - Ellen LoCurto-Martinez. by *Armstrong, *Fitzhugh, *Smith.

House Joint Resolution No. 402 -- Memorials, Death - Paul Anderson. by *Hill T.

House Joint Resolution No. 403 -- Memorials, Death - Mary Louise Sword Richards Gregory Jarvis. by *Hill T.

House Joint Resolution No. 404 -- Memorials, Recognition - Joshua Jamahl Murray. by *Akbari, *Camper, *Coley, *Cooper, *DeBerry, *Hardaway, *Lollar, *McManus, *Miller, *Parkinson, *Todd, *Towns, *Turner, *White M.

House Joint Resolution No. 405 -- Memorials, Retirement - Janie Elizabeth Pedigo. by *Weaver.

House Joint Resolution No. 406 -- Memorials, Recognition - Doris Maxine Anderson Felts. by *Kane.

SENATE JOINT RESOLUTIONS (Congratulatory and Memorializing)

Pursuant to **Rule No. 17**, the resolutions listed were noted as being placed on the Consent Calendar for April 20, 2015:

Senate Joint Resolution No. 282 -- Memorials, Recognition - Savannah Joy Kawa, 2015 Youth Leadership Award. by *Overbey.

Senate Joint Resolution No. 283 -- Memorials, Interns - Charles Chadwell. by *Johnson.

Senate Joint Resolution No. 284 -- Memorials, Personal Achievement - David O. Hancock, Eagle Scout. by *Johnson.

Senate Joint Resolution No. 285 -- Memorials, Recognition - Dr. Lee Ward, elevated to Auxiliary Bishop within the Church of God in Christ. by *Tate.

Senate Joint Resolution No. 286 -- Memorials, Personal Achievement - Mason Dabbs, Eagle Scout. by *Hensley.

Senate Joint Resolution No. 329 -- Memorials, Congratulations - Foothills Elementary School, National Blue Ribbon School. by *Overbey.

Senate Joint Resolution No. 335 -- Memorials, Interns - De'Antre Harleston. by *Yarbro.

Senate Joint Resolution No. 347 -- Memorials, Retirement - Michael Kyle. by *Kyle.

INTRODUCTION OF BILLS

On motion, the following bills were introduced and passed first consideration:

House Bill No. 1402 -- Clarksville - As introduced, subject to local approval, rewrites the city charter. - Amends Chapter 252 of the Private Acts of 1929; as amended. by *Pitts, *Johnson, *Reedy.

SENATE BILLS TRANSMITTED

On motion, the Senate Bills listed below, transmitted to the House, were held on the Clerk's desk pending third consideration of the companion House Bill as noted:

***Senate Bill No. 850** -- Taxes, Hotel Motel - As introduced, on a prospective basis, requires a portion of the proceeds of a hotel-motel tax adopted by ordinance or resolution to be used for tourism purposes; requires a city or county to conduct an economic impact study prior to adopting an ordinance or resolution to enact a hotel-motel tax; makes other revisions regarding hotel-motel taxes. - Amends TCA Title 7, Chapter 4, Part 1 and Title 67, Chapter 4, Part 14. by *Tate. (HB951 by *White M, *Keisling)

Senate Bill No. 1090 -- Veterans - As introduced, specifies that no fee shall be charged for the interment of an eligible veteran in a state veterans' cemetery and limits the fee to \$300 for the interment of an eligible veteran's spouse. - Amends TCA Title 46, Chapter 6. by *Harris, *Bailey, *Beavers, *Bell, *Bowling, *Briggs, *Crowe, *Dickerson, *Gardenhire, *Green, *Gresham, *Haile, *Harper, *Hensley, *Jackson, *Johnson, *Kelsey, *Ketron, *Kyle, *Massey, *McNally, *Niceley, *Norris, *Overbey, *Roberts, *Southerland, *Stevens, *Tate, *Tracy, *Watson, *Yager, *Yarbro, *Ramsey. (*HB828 by *Turner, *Shaw, *Armstrong, *Camper, *Favors, *Cooper, *Jernigan, *Hardaway, *Mitchell, *Parkinson, *Carr, *Akbari, *Harrison, *Gilmore, *Stewart)

***Senate Bill No. 1114** -- Criminal Offenses - As introduced, states that knowingly killing a police dog, fire dog, search and rescue dog, or police horse shall be a Class E felony, unless the offense would be a higher classification based on the animal's value, in which case, knowingly killing the animal shall be punished as theft of property. - Amends TCA Section 39-14-205. by *Johnson, *Bell, *Dickerson, *Haile, *Overbey, *Roberts. (HB1291 by *Durham, *Rogers, *Lamberth, *Littleton, *Jernigan)

***Senate Bill No. 1133** -- Public Employees - As introduced, adds emergency medical services personnel and 911 operators to persons who may receive compensation when killed in the line of duty; increases amount of such compensation from \$25,000 to \$500,000 annuity payable in 10 annual installments of \$50,000. - Amends TCA Title 7, Chapter 51, Part 2; Title 9 and Title 68, Chapter 140. by *Bowling, *Yager. (HB1333 by *Parkinson)

Senate Bill No. 1142 -- Health Care - As introduced, clarifies that Alzheimer's-related dementia, includes, but is not limited to, dementia with Lewy bodies for purposes of the required disclosure of specialized care at any entity, facility, program, or any instrumentality of the state or political subdivision of the state that advertises, markets, or offers to provide specialized care, treatment, or therapeutic activities for one or more persons with a probable diagnosis of

Alzheimer's disease or Alzheimer's-related dementia. - Amends TCA Title 68. by *Tate, *Bowling. (*HB1163 by *Turner, *Cooper, *Clemmons, *Shaw, *Miller, *Shepard, *Armstrong, *Akbari, *Parkinson, *Hardaway, *Favors)

Senate Bill No. 1160 -- Criminal Procedure - As introduced, removes aggravated prostitution from the crimes for which an offender must register as a sex offender; requires a court to order a person convicted of aggravated prostitution to complete a 10-year period of supervised probation to be paid for by the offender, in addition to any period of confinement imposed. - Amends TCA Title 39, Chapter 13, Part 5 and Title 40, Chapter 39, Part 2. by *Massey, *Ketron, *Kyle, *Yarbro. (*HB754 by *Moody, *Weaver, *Holt, *Goins, *Stewart, *Coley)

Senate Bill No. 1173 -- Taxes, Real Property - As introduced, extends present use valuation of certain residential property zoned for commercial use to the unmarried surviving spouse. - Amends TCA Title 67, Chapter 5. by *Ketron, *Yager. (*HB1153 by *Gravitt)

Senate Bill No. 1221 -- Religion and Religious Organizations - As introduced, prohibits a state or local government entity from subpoenaing a clergy member's sermon for a civil or administrative action. - Amends TCA Section 4-1-407 and Title 24. by *Bell, *Gardenhire, *Bowling. (*HB979 by *Hill M)

Senate Bill No. 1222 -- Abortion - As introduced, revises provisions governing reports a physician who performs an abortion is required to keep to specify that such records must be maintained for five years; clarifies that the requirement applies to any abortion procedure instead of just "operations." - Amends TCA Title 37, Chapter 10, Part 3; Title 39, Chapter 15, Part 2; Title 63, Chapter 6; Title 63, Chapter 9 and Title 68, Chapter 11, Part 2. by *Beavers, *Bell, *Green. *Johnson, *Gresham, *Gardenhire, *Stevens, *Bailey, *Jackson, *Roberts, *Yager. (HB977 by *Hill M)

Senate Bill No. 1232 -- Planning, Public - As introduced, applies certain rules governing zoning restrictions to other land use restrictions, including redevelopment plans; prohibits redevelopment plans from being more restrictive than local zoning restrictions. - Amends TCA Title 13, Chapter 20, Part 2 and Title 13, Chapter 7, Part 2. by *Bell, *Ketron. (*HB846 by *McCormick, *Sexton C, *McManus)

Senate Bill No. 1280 -- Abortion - As introduced, requires facilities or physician offices where more than 50 abortions are performed in a calendar year to be licensed as ambulatory surgical treatment centers. - Amends TCA Title 68, Chapter 11. by *Hensley, **Green, *Johnson, **Bailey, *Beavers, *Gresham, *Yager, *Gardenhire, *Stevens, *Bowling, *Briggs, *Jackson, *Roberts (*HB1368 by *Lynn)

Senate Bill No. 1333 -- Taxes, Exemption and Credits - As introduced, for purposes of the exemption from sales tax for industrial machinery, exempts certain co-generation equipment used by a manufacturing facility located in a non-attainment area and that makes a minimum capital investment. - Amends TCA Section 67-6-102. by *McNally, *Yager. (*HB1320 by *Matlock)

CONSENT CALENDAR

THURSDAY, APRIL 16, 2015 – TWENTY-FIFTH LEGISLATIVE DAY UNOFFICIAL VERSION

***Senate Joint Resolution No. 131** -- Naming and Designating - Designates April 28, 2015, as "National Clean Comedy Day" in Tennessee. by *Overbey, *Southerland.

House Bill No. 582 -- Elder Abuse - As introduced, confers upon law enforcement agencies, as well as the department of human services, the authority, during the course of an elder abuse investigation, to require a medical examination of the person if the agency is not sure that the adult is in imminent danger. - Amends TCA Title 39; Title 40 and Title 71. by *Coley, *Lamberth, *Rogers.

***Senate Joint Resolution No. 166** -- General Assembly, Statement of Intent or Position - Expresses support for appropriate action to be taken to enable the Ocoee River to maintain its status as the nation's most popular whitewater destination. by *Bell.

***Senate Joint Resolution No. 170** -- General Assembly, Statement of Intent or Position - Condemns the Boycott, Divestment, and Sanctions movement and increasing incidents of anti-Semitism. by *Gresham, *McNally, *Ketron, *Hensley, *Harper, *Stevens, *Norris, *Green, *Johnson, *Beavers, *Bell, *Bowling, *Briggs, *Crowe, *Roberts, *Southerland, *Tracy, *Yager, *Bailey, *Haile, *Harris, *Kyle.

***House Joint Resolution No. 218** -- General Assembly, Statement of Intent or Position - To support use of science-based data to assess the impacts and regulation of modern agricultural technologies. by *Brooks K, *Holt, *Marsh, *Reedy, *Shaw.

***House Joint Resolution No. 271** -- Naming and Designating - Designates the first Saturday in December as "The Day to Remember the Battle of Sugar Creek" in Tennessee. by *Doss, *Sanderson.

***House Joint Resolution No. 248** -- State Symbols - Adopts "Echoes from a Soldier's Grave" as an official veterans poem of the state. by *Byrd.

House Bill No. 122 -- Taxes, Exemption and Credits - As introduced, exempts diabetic testing supplies from sales and use tax. - Amends TCA Title 67, Chapter 6, Part 3. by *Shepard, *Fitzhugh.

***House Bill No. 471** -- Boards and Commissions - As introduced, transfers administrative responsibilities for the Tennessee board of court reporting to the division of regulatory boards in the department of commerce and insurance. - Amends TCA Title 4, Chapter 3, Part 13 and Title 20, Chapter 9, Part 6. by *Haynes, *Sanderson.

On motion, House Bill No. 471 was made to conform with **Senate Bill No. 485**; the Senate Bill was substituted for the House Bill.

***House Bill No. 556** -- Driver Licenses - As introduced, authorizes the department of safety to develop an electronic driver license system in which licensees may participate; permits development of a mobile application to display images of driver licenses on cell phones; allows electronic driver licenses to be accepted in lieu of physical driver licenses. - Amends TCA Title 55, Chapter 50. by *Fitzhugh.

House Bill No. 344 -- Administrative Procedure (UAPA) - As introduced, continues permanent rules filed with the secretary of state after January 1, 2014; schedules board of

optometry rule to expire on the effective date of the Act. - Amends Title 4, Chapter 5. by *Faison, *Ragan.

On motion, House Bill No. 344 was made to conform with **Senate Bill No. 210**; the Senate Bill was substituted for the House Bill.

***House Bill No. 593** -- Barbers - As introduced, requires the board of cosmetology and barber examiners to promulgate rules that allow barber schools and colleges to develop certain courses of instruction that permit a student to earn 50 percent of the 1,500 hours required for certain certificates of registration from classroom instruction and 50 percent from apprenticeship. - Amends TCA Title 62, Chapter 3. by *Parkinson, *Akbari.

***House Bill No. 322** -- Health Care - As introduced, requires the commissioner of health to establish policies for the release of HIPAA compliant limited-use data sets. - Amends TCA Title 68, Chapter 1, Part 1. by *Williams.

On motion, House Bill No. 322 was made to conform with **Senate Bill No. 1331**; the Senate Bill was substituted for the House Bill.

House Bill No. 818 -- Motor Vehicles - As introduced, requires a driver who approaches a stationary solid waste vehicle to treat the vehicle in the same manner as approaching a stationary recovery or highway maintenance vehicle. - Amends TCA Title 55, Chapter 8. by *Cooper, *Hardaway, *Favors, *Fitzhugh, *Shepard, *Camper.

On motion, House Bill No. 818 was made to conform with **Senate Bill No. 655**; the Senate Bill was substituted for the House Bill.

***House Bill No. 1030** -- Motor Vehicles - As introduced, allows producers of motor vehicles who lease vehicles to eligible employees to sell the vehicle to a franchised dealer after the lease, and allows the franchised dealer to purchase no more than 30 of the vehicles per month, but prohibits the sale of the vehicle for 90 days from the time in which the motor vehicle was purchased by the franchised dealer. - Amends TCA Section 55-17-123. by *Alexander.

On motion, House Bill No. 1030 was made to conform with **Senate Bill No. 1026**; the Senate Bill was substituted for the House Bill.

***Senate Joint Resolution No. 42** -- General Assembly, Confirmation of Appointment - Alexandra Motlow Richman, State Forestry Commission. by *Tracy.

***House Bill No. 619** -- County Officers - As introduced, specifies that certain information acquired by a county trustee is not subject to public inspection unless a law enforcement agency, court, or other government agency requires inspection of the information in performing official functions. - Amends TCA Title 8 and Title 10, Chapter 7. by *Farmer.

On motion, House Bill No. 619 was made to conform with **Senate Bill No. 1337**; the Senate Bill was substituted for the House Bill.

House Resolution No. 62 -- Memorials, Recognition - Dana Perry, 2015 Woman of Distinction. by *Hazlewood.

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House Resolution No. 63 -- Memorials, Recognition - Julie Taylor, 2015 Woman of Distinction. by *Hazlewood.

House Resolution No. 64 -- Memorials, Recognition - Julia Sanford, 2015 Woman of Distinction. by *Hazlewood.

House Resolution No. 65 -- Memorials, Recognition - Stacy Lightfoot, 2015 Woman of Distinction. by *Hazlewood.

House Resolution No. 66 -- Memorials, Recognition - Dr. Colleen M. Schmitt, 2015 Woman of Distinction. by *Hazlewood.

House Resolution No. 67 -- Memorials, Interns - Thomas Waldrop. by *Jernigan, *Beck, *Windle.

House Resolution No. 68 -- Memorials, Sports - Lighthouse Christian School's girls' basketball 2015 State Champions. by *Jones, *Shaw.

House Resolution No. 69 -- Memorials, Sports - Lighthouse Christian boys' basketball team, 2015 National and State Champions. by *Jones, *Shaw.

House Resolution No. 70 -- Memorials, Academic Achievement - Layla Marie Mosadegh, Valedictorian, South-Doyle High School. by *Smith, *Armstrong.

House Resolution No. 71 -- Memorials, Academic Achievement - Alexis Rhyann Rodgers Jester, Salutatorian, South-Doyle High School. by *Smith, *Armstrong.

House Resolution No. 72 -- Memorials, Academic Achievement - Mahongony Cobb, Salutatorian, Austin-East Magnet High School. by *Armstrong.

House Resolution No. 73 -- Memorials, Academic Achievement - Peyton Dendy, Valedictorian, Austin-East Magnet High School. by *Armstrong.

House Resolution No. 74 -- Memorials, Academic Achievement - Lorna Treffert, Salutatorian, L & N STEM Academy. by *Armstrong.

House Resolution No. 75 -- Memorials, Academic Achievement - Jentry Indigo Jones, Valedictorian, L & N STEM Academy. by *Armstrong.

House Joint Resolution No. 350 -- Memorials, Recognition - St. Jude Children's Research Hospital 2015 Hunting for a Cure. by *Byrd.

House Joint Resolution No. 351 -- Memorials, Recognition - Dr. Lee Ward, elevated to Auxiliary Bishop within the Church of God in Christ. by *Camper, *Akbari.

House Joint Resolution No. 352 -- Memorials, Recognition - Brown, Davidson, Driver, Smith Family Reunion. by *Camper.

House Joint Resolution No. 353 -- Memorials, Recognition - Allen Nichols and Central Magnet School Contemporary Issues Class. by *Terry.

House Joint Resolution No. 354 -- Memorials, Academic Achievement - Emma Donnelly-Bullington, Valedictorian, Memphis Central High School. by *Hardaway.

House Joint Resolution No. 355 -- Memorials, Academic Achievement - Elexis Houston, Salutatorian, Memphis Central High School. by *Hardaway.

House Joint Resolution No. 356 -- Memorials, Academic Achievement - Phylcia Samuels, Salutatorian, Douglass High School. by *Hardaway.

House Joint Resolution No. 357 -- Memorials, Academic Achievement - Quiavious Wainwright, Valedictorian, Douglass High School. by *Hardaway.

House Joint Resolution No. 358 -- Memorials, Academic Achievement - Norman Harris II, Valedictorian, Memphis East High School. by *Hardaway.

House Joint Resolution No. 359 -- Memorials, Academic Achievement - Doris Morrow, Salutatorian, Memphis East High School. by *Hardaway.

House Joint Resolution No. 360 -- Memorials, Interns - Tyla Daniels. by *Faison.

House Joint Resolution No. 361 -- Memorials, Interns - Katherine Raines. by *Faison.

House Joint Resolution No. 362 -- Memorials, Interns - Madeline Shelly. by *Marsh.

House Joint Resolution No. 363 -- Memorials, Recognition - Matia Powell, president of the Tennessee Young Democrats. by *Fitzhugh.

House Joint Resolution No. 364 -- Memorials, Recognition - Commemorates Primary Immunodeficiency Awareness Month. by *Fitzhugh.

House Joint Resolution No. 365 -- Memorials, Recognition - Colonel James E. Stone. by *Pody.

House Joint Resolution No. 366 -- Memorials, Recognition - U.S. Army 199th Infantry Brigade (Separate) (Light) June 1, 1966–1970 and the Redcatcher Association. by *Keisling.

House Joint Resolution No. 367 -- Memorials, Sports - Clay County High School boys' basketball team. by *Keisling.

House Joint Resolution No. 368 -- Memorials, Academic Achievement - Matthew Colson, Valedictorian, Rhea County High School. by *Travis.

House Joint Resolution No. 369 -- Memorials, Academic Achievement - Ronald Masterson III, Salutatorian, Rhea County High School. by *Travis.

House Joint Resolution No. 370 -- Memorials, Academic Achievement - Shelley Edwards, Valedictorian, Rockwood High School. by *Travis.

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House Joint Resolution No. 371 -- Memorials, Academic Achievement - Joshua Spurling, Salutatorian, Rockwood High School. by *Travis.

House Joint Resolution No. 372 -- Memorials, Academic Achievement - Brent Hurst, Valedictorian, Sequatchie County High School. by *Travis.

House Joint Resolution No. 373 -- Memorials, Academic Achievement - Carson Faircloth, Salutatorian, Sequatchie County High School. by *Travis.

House Joint Resolution No. 374 -- Memorials, Academic Achievement - Erika Smith, Valedictorian, Bledsoe County High School. by *Travis.

House Joint Resolution No. 375 -- Memorials, Academic Achievement - Makayla Campbell, Salutatorian, Bledsoe County High School. by *Travis.

House Joint Resolution No. 376 -- Memorials, Interns - Kyle Johnson. by *Johnson, *Reedy, *Pitts.

House Joint Resolution No. 377 -- Memorials, Recognition - Laura Travis. by *Calfee.

House Joint Resolution No. 378 -- Memorials, Death - Douglas Carl Gilmore. by *Fitzhugh.

Senate Joint Resolution No. 273 -- Memorials, Professional Achievement - Dr. Logan Hampton, President of Lane College. by *Jackson.

Senate Joint Resolution No. 274 -- Memorials, Public Service - Senator James F. Kyle Jr. by *Kyle, *Bailey, *Beavers, *Bell, *Bowling, *Briggs, *Crowe, *Dickerson, *Gardenhire, *Green, *Gresham, *Haile, *Harper, *Harris, *Hensley, *Jackson, *Johnson, *Kelsey, *Ketron, *Massey, *McNally, *Niceley, *Norris, *Overbey, *Roberts, *Southerland, *Stevens, *Tate, *Tracy, *Watson, *Yager, *Yarbro, *Ramsey.

Senate Joint Resolution No. 275 -- Memorials, Academic Achievement - Hamilton High School Wildcats, boys' basketball Class AAA state champions. by *Tate, *Harris, *Kelsey, *Kyle, *Norris, *Bailey, *Beavers, *Bell, *Bowling, *Briggs, *Crowe, *Dickerson, *Gardenhire, *Green, *Gresham, *Haile, *Harper, *Hensley, *Jackson, *Johnson, *Ketron, *Massey, *McNally, *Niceley, *Overbey, *Roberts, *Southerland, *Stevens, *Tracy, *Watson, *Yager, *Yarbro, *Ramsey.

Senate Joint Resolution No. 276 -- Memorials, Interns - Joshua Lance Hitt. by *Bell.

Senate Joint Resolution No. 277 -- Memorials, Retirement - Paula McCord. by *Johnson.

Senate Joint Resolution No. 278 -- Memorials, Recognition - First Presbyterian Church of Chattanooga, 175th Anniversary. by *Watson, *Gardenhire.

Senate Joint Resolution No. 279 -- Memorials, Interns - Zachary Ty Carden. by *Tracy.

Senate Joint Resolution No. 280 -- Memorials, Interns - Allen Kyle Harvey. by *Tracy.

Senate Joint Resolution No. 281 -- Memorials, Death - Joe Hurst Walker. by *Yager.

OBJECTION--CONSENT CALENDAR

Objections were filed to the following on the Consent Calendar:

House Bill No. 582: by Rep. Stewart

Senate Joint Resolution No. 170: by Rep. Hardaway

Under the rules, House Bill No. 582 and Senate Joint Resolution No. 170 were placed at the heel of the calendar for April 17, 2015.

Rep. Coley moved that all members voting aye on Senate Joint Resolution No. 275 be added as co-prime sponsors with Shelby County delegation listed first, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Pody and Ragan.

Rep. Howell moved that all members voting aye on Senate Joint Resolution No. 166 be added as co-prime sponsors, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Pody and Ragan.

Rep. Keisling moved that all members voting aye on House Joint Resolution No. 366 be added as co-prime sponsors, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Pody and Ragan.

Rep. Camper moved that all members voting aye on House Joint Resolution No. 351 be added as co-prime sponsors with Shelby County delegation listed first, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Pody and Ragan.

Rep. Camper moved that all members be added as co-prime sponsors to House Joint Resolution No. 352, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Pody and Ragan.

Rep. Fitzhugh moved that all members voting aye on House Joint Resolution No. 364 be added as co-prime sponsors, which motion prevailed with the following members not added pursuant to the signed Sponsor Exclusion form: Reps. Butt, Pody and Ragan.

Pursuant to **Rule No. 50**, Rep. Holt moved that all House Bills having companion Senate Bills and are on the Clerk's desk be conformed and substituted for the appropriate House Bill, all Senate and House Bills on the Consent Calendar be passed on third and final consideration, all House Resolutions and House Joint Resolutions be adopted, and all Senate Joint Resolutions on the Consent Calendar be concurred in, which motion prevailed by the following vote:

Ayes 95
Noes..... 0

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Favors, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, McManus, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Williams, Windle, Wirgau, Womick, Madam Speaker Harwell -- 95

A motion to reconsider was tabled.

REGULAR CALENDAR

***House Bill No. 198** -- Driver Licenses - As introduced, increases the duration of driver licenses from five to eight years and changes the fees for driver licenses and photo identification licenses. - Amends TCA Title 55. by *Goins, *Rogers. (SB209 by *Niceley)

On motion, House Bill No. 198 was made to conform with **Senate Bill No. 209**; the Senate Bill was substituted for the House Bill.

Rep. Goins moved that Senate Bill No. 209 be passed on third and final consideration.

Rep. Matlock moved that Transportation Committee Amendment No. 1 be withdrawn, which motion prevailed.

Rep. Goins moved that **Senate Bill No. 209** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	96
Noes.....	0

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Favors, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, McManus, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Williams, Windle, Wirgau, Womick, Madam Speaker Harwell -- 96

A motion to reconsider was tabled.

***House Bill No. 606** -- Financial Responsibility Law - As introduced, enacts the "James Lee Atwood Jr. Law." - Amends TCA Title 4; Section 9-4-603; Title 10; Title 12; Title 55, Chapter 12; Title 55, Chapter 4; Title 55, Chapter 10 and Title 56. by *Lamberth, *McManus, *Halford, *Marsh, *Wirgau, *Sexton C, *Sargent, *Casada, *Eldridge, *White D, *Keisling, *Durham, *Williams, *Lundberg, *Todd, *Harrison. (SB648 by *Ketron)

Rep. Lamberth moved that House Bill No. 606 be passed on third and final consideration.

Rep. McManus moved adoption of Insurance and Banking Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 606 by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Title 55, Chapter 12, is amended by adding the following language as a new part:

55-12-201. This part shall be known and may be cited as the "James Lee Atwood Jr. Law."

55-12-202. The purpose of this part is to develop and implement an efficient insurance verification program that utilizes the online verification system and data transfer standards for transmitting a full book of business specifications, model, and guide of the Insurance Industry Committee on Motor Vehicle Administration in order to verify whether the financial responsibility requirements of this chapter have been met with a motor vehicle liability insurance policy, and to provide the commissioner of revenue with the authority to develop, implement, and administer the program.

55-12-203. As used in this part, unless the context otherwise requires:

(1) "Automobile liability insurer," "insurer," or "carrier" means an insurance carrier licensed under title 56 to provide vehicle insurance, as defined in § 56-2-201, in this state;

(2) "Commercial automobile coverage" means any coverage provided to an insured, regardless of the number of vehicles or entities covered, under a commercial coverage form and rated from a commercial manual approved by the department of commerce and insurance;

(3) "Designated agent" means a third-party vendor that the department of revenue may contract with to develop, implement, and administer the program;

(4) "Full book of business" means a business record download of an automobile liability insurer made in accordance with IICMVA Insurance Data Transfer Guide Specifications that contains the data elements described in § 55-12-207(c)(1);

(5) “IICMVA” means the Insurance Industry Committee on Motor Vehicle Administration;

(6) “IICMVA Model” means the online insurance verification system model created by the IICMVA;

(7) “NAIC” means the National Association of Insurance Commissioners;

(8) “Unknown carrier request” means an electronic request for insurance coverage verification on a specific vehicle sent in accordance with IICMVA standards by the department of revenue or its designated agent to a carrier or carriers when the identity of the vehicle’s carrier or the insurance policy number for the vehicle is unknown; and

(9) “Vehicle insurance verification program” or “program” means an insurance verification program that is created in compliance with the online verification system and data transfer standards, specifications, model, and guide of the IICMVA, and developed, implemented, and administered by the department of revenue in compliance with this part.

55-12-204.

(a) The commissioner of revenue shall develop, implement, and administer an insurance verification program to electronically verify whether the financial responsibility requirements of this chapter have been met with a motor vehicle liability insurance policy; provided, the commissioner may contract with a designated agent to develop, implement, and administer the program.

(b) Prior to issuance of a request for proposal for the services of a designated agent or prior to developing and implementing the program, the department of revenue or, if applicable, its designated agent shall consult with the following entities to determine the details and deadlines related to the program:

(1) Automobile liability insurers;

(2) Private service providers who have successfully developed and implemented similar verification systems in other states;

(3) The department of safety; and

(4) The department of commerce and insurance.

55-12-205. The program shall:

(1) Be an accessible common carrier based system for online electronic verification and data transfers of proof of motor vehicle liability insurance in accordance with IICMVA specifications and standards;

(2) Verify, on an on-demand basis minus reasonable downtime for system maintenance as agreed upon by the department of revenue, or its designated agent, and the insurer, the liability insurance status of a motor vehicle, whose status is determined:

(A) As of the time of the inquiry; or

(B) At other times not exceeding six (6) months prior to the inquiry unless otherwise agreed upon by the commissioner of revenue, or its designated agent, and the insurer;

(3)

(A) In an effort to confirm the liability insurance status of a motor vehicle in instances where the program is unable to verify the liability insurance status, require automobile liability insurers that choose only to utilize the IICMVA model to:

(i) Accept unknown carrier requests; or

(ii) Provide upon request either:

(a) A full book of business as described in § 55-12-207, current to the date of the request; or

(b) A list of vehicle identification numbers of all vehicles currently insured by the automobile liability insurer.

(B) The information in subdivision (3)(A)(ii) shall be requested no more frequently than quarterly and the automobile liability insurer may freely choose between the options described in subdivisions (3)(A)(ii)(a) and (b).

(4) Use, as warranted, multiple data elements to make insurance verification inquiries more accurately by utilizing:

(A) The automobile liability insurer's NAIC code;

(B) Vehicle identification numbers;

(C) Insurance policy numbers or policy key;

(D) The date of the verification request; and

(E) Other data elements as set forth in the most recent version of the IICMVA Model User Guide for Implementing Online Insurance Verification;

(5) Provide sufficient measures for the security and integrity of data collected by the program;

(6) Limit the usage of the information obtained through the operation of the program to the department of revenue, the department of safety, the department of commerce and insurance, law enforcement, and the judiciary to effectuate the purposes of this chapter;

(7) Utilize open data and data transmission standards as determined by the department of revenue by rule;

(8) Send requests to automobile liability insurers for verification of evidence of financial responsibility via online services established by the automobile liability insurers, or offered through a similar proprietary or common carrier electronic system in compliance with the specifications and standards of the IICMVA;

(9) Respond to a verification request within a time period established by the department of revenue, or its designated agent, and consistent with the most recent version of the IICMVA Model User Guide for Implementing Online Insurance Verification; and

(10) Work in conjunction with existing state programs and systems related to this title if necessary to carry out this part.

55-12-206. In developing and implementing the program, the department of revenue and, if applicable, its designated agent shall:

(1) Consult and cooperate with automobile liability insurers in establishing and operating the program;

(2) Designate and maintain a contact person for automobile liability insurers during the development, implementation, and administration of the program;

(3) Publish a detailed guide of the program;

(4) Establish and maintain the systems necessary to make verification requests to insurers using the data elements that the department of revenue, or its designated agent, and automobile liability insurers have agreed upon and are necessary to receive accurate responses from automobile liability insurers;

(5) Implement and maintain, for all information transmitted and received, strict system and data security measures consistent with applicable industry standards as determined by the department of revenue by rule; provided, data secured by the department of revenue, or its designated agent, via the program shall not be shared with any party other than those permitted by state or federal

privacy laws, including, but not limited to, the federal Driver's Privacy Protection Act of 1994 (18 U.S.C. §§ 2721 et seq.);

(6) If applicable, be responsible for keeping the designated agent informed on the implementation status, functionality, and planned or unplanned service interruptions; and

(7) Provide alternative methods of reporting for automobile liability insurers writing fewer than five hundred (500) noncommercial motor vehicle policies in this state as determined by the department of revenue.

55-12-207.

(a) If an automobile liability insurer chooses not to utilize the IICMVA model, the automobile liability insurer shall provide to the department of revenue, or its designated agent, a full book of business by the seventh day of each calendar month.

(b)

(1) Subsection (a) does not apply if the policy covers a motor vehicle that is registered as a vehicle of a political subdivision or of this state, or as a vehicle registered pursuant to § 55-4-122 or § 55-4-502.

(2) Subsection (a) does not preclude an automobile liability insurer from more frequent reporting.

(c)

(1) The full book of business provided pursuant to subsection (a) shall include:

(A) The vehicle identification number of each insured motor vehicle; and

(B) The automobile liability insurer's NAIC code, policy number, and effective date of each policy.

(2) Each automobile liability insurer that chooses not to utilize the IICMVA model pursuant to subsection (a) shall transmit the information described in this subsection (c) by either electronic means or by another means of transmission acceptable to the department of revenue or its designated agent.

55-12-208. Nothing in this part precludes an automobile liability insurer from utilizing both the IICMVA model and the full book of business download process described in § 55-12-207.

55-12-209.

(a) Any information obtained by the department of revenue, or its designated agent, from the program is for the sole use of the department of revenue, the department of safety, the department of commerce and insurance, law enforcement, and the judiciary to effectuate this chapter and is not a public record for purposes of title 10, chapter 7, nor discoverable in the course of legal proceedings.

(b) The department of safety shall cooperate with the department of revenue in developing, implementing, and maintaining the program.

(c) A law enforcement officer from a jurisdiction that has reasonable access to the program shall utilize the program to verify proof of financial responsibility as required by § 55-12-139.

(d) Nothing in this part precludes a law enforcement officer from a jurisdiction that does not have reasonable access to the program from utilizing the program to verify proof of financial responsibility as required by § 55-12-139.

(e) Nothing in this part prohibits an automobile liability insurer from using the services of a third-party vendor to comply with this part.

(f) This part shall not apply to motor vehicles insured under commercial automobile coverage; however, insurers of those vehicles may participate on a voluntary basis. Automobile liability insurers shall provide commercial automobile customers with evidence reflecting that the vehicle is insured under a commercial automobile policy. Sufficient evidence may include an insurance identification card that clearly identifies the policy as providing commercial automobile coverage.

(g) No later than January 1, 2019, and annually thereafter, the department of revenue and the department of safety shall issue a joint report to the general assembly, evidencing:

(1) The costs of the program to the department of revenue, insurers, and the public;

(2) The effectiveness of the program in reducing the number of uninsured motor vehicles;

(3) The number of persons complying with the financial responsibility requirements of this chapter through means other than motor vehicle liability insurance;

(4) The number of persons convicted per year for failing to show evidence of financial responsibility pursuant to § 55-12-139, and

(5) If available, the number of motor vehicle accidents involving an uninsured motorist on an annual basis since January 1, 2016.

55-12-210.

(a)

(1) If there is evidence based on either the IICMVA model or the full book of business download process described in § 55-12-207 that a motor vehicle is not insured, the department of revenue shall, or shall direct its designated agent to, provide notice to the owner of the motor vehicle that the owner has fifteen (15) days from the date of the notice to provide to the department of revenue:

(A) The owner or operator's proof of financial security in a form approved by the department of revenue;

(B) Proof of exemption from the owner or operator's financial security requirements under this chapter;

(C) Proof that the motor vehicle is no longer in the owner's possession; or

(D) A statement, under penalty of perjury, that the vehicle is not in use on any public road.

(2) The notice described in subdivision (a)(1) shall include a statement that if the owner of the motor vehicle fails to comply with the requirements set forth in the notice, the owner of the motor vehicle shall be subject to a twenty-five-dollar coverage failure fee. The department of revenue or its designated agent shall transmit the notice to the owner of the motor vehicle by mailing the notice to the most recent street address or electronic mail address provided to the department of revenue by the owner.

(b)

(1) If an owner of a motor vehicle fails to provide satisfactory proof or a statement as described in subsection (a), the department of revenue shall:

(A) Impose on the owner of the motor vehicle a twenty-five-dollar coverage failure fee. Of this fee, five dollars (\$5.00) shall be distributed to the county clerk of the county in which the motor vehicle is registered, five dollars (\$5.00) shall be distributed to the department of safety, and the remainder shall be deposited into the uninsured motorist identification restricted fund created in § 55-12-213; and

(B) Provide a notice to the owner of the motor vehicle stating that the owner must pay the coverage failure fee described in subdivision (b)(1)(A) and provide satisfactory proof or a statement as described in subsection (a) within thirty (30) days of the date of the notice.

(2) The notice described in subdivision (b)(1)(B) shall include a statement that if the owner of the motor vehicle fails to comply with the requirements set forth in the notice, the owner of the motor vehicle shall be subject to a one hundred-dollar continued coverage failure fee and suspension or revocation of the owner's motor vehicle registration.

(c) If the owner of the motor vehicle fails to comply with the notice described in subdivision (b)(1)(B), the department of revenue:

(1) Shall impose on the owner of the motor vehicle a one hundred-dollar continued coverage failure fee, which shall be in addition to the coverage failure fee imposed under subdivision (b)(1)(A). Of this continued coverage failure fee, ten dollars (\$10.00) shall be distributed to the county clerk of the county in which the motor vehicle is registered, five dollars (\$5.00) shall be distributed to the department of safety, and the remainder shall be deposited into the uninsured motorist identification restricted fund created in § 55-12-213;

(2) Shall suspend or revoke the motor vehicle owner's registration; and

(3)

(A) Shall provide notice to the motor vehicle owner of the legal consequences of operating a motor vehicle with a suspended or revoked registration and without owner or operator's proof of financial security as required by this chapter, and instructions on how to effect the reinstatement of the motor vehicle owner's registration; or

(B) May direct a designated agent to provide the notice and instructions described in this subdivision (c)(3).

(d) Any action by the department of revenue to suspend or revoke the registration of a motor vehicle under this section may be in addition to an action by a law enforcement agency to impose penalties under this chapter.

(e)

(1) A person shall not provide a false or fraudulent statement to the department of revenue or its designated agent.

(2) In addition to any other penalties, a violation of subdivision (e)(1) is a Class B misdemeanor.

(f) This part does not affect other actions or penalties that may be taken or imposed for violation of the owner or operator's financial security requirements of this chapter.

(g) If the vehicle is no longer insured by the automobile liability insurer of record and no other insurance company using the IICMVA model indicates coverage after an unknown carrier request under § 55-12-205(3), the owner of the motor vehicle becomes eligible for notice as described in subsections (a) and (b).

55-12-211.

(a) The department of revenue shall not process an application for reinstatement or renewal of registration of a motor vehicle after a suspension or revocation of the registration under § 55-12-210 until the applicant pays all fees owed pursuant to § 55-12-210.

(b) The commissioner of revenue may waive the fees imposed under § 55-12-210 if:

(1) The registration was suspended or revoked under § 55-12-210; and

(2) The applicant provides proof acceptable to the department of revenue that the applicant had an owner or operator's financial security in effect for the vehicle on the date the suspension or revocation went into effect.

55-12-212. The program shall be installed and fully operational upon certification by the commissioner of revenue that the program has been successfully tested and is ready for implementation, but not later than January 1, 2017. Until such certification occurs, no law enforcement action shall be taken based on the program.

55-12-213.

(a) There is established within the general fund an account to be known as the "uninsured motorist identification restricted fund."

(b) The fund shall consist of money generated from this part, less any amount distributed to the county clerks and the department of safety, and funds appropriated by the general assembly. The commissioner of revenue shall use only the money in the fund in administering this part.

(c) Any unencumbered moneys and any unexpended balance of the fund remaining at the end of any fiscal year shall not revert to the general fund, but

shall be carried forward and maintained in separate accounts until expended in accordance with this part.

(d) Moneys in the fund shall be invested by the state treasurer for the benefit of the fund pursuant to § 9-4-603. Interest accruing on investments and deposits of the fund shall be returned to the fund and remain a part of the fund. The fund shall be administered by the commissioner of revenue.

55-12-214. Nothing in this part shall alter the existing financial responsibility requirements in this chapter.

55-12-215. Nothing in this part shall allow the department of revenue or its designated agent to levy any fee or surcharge on automobile liability insurers.

SECTION 2. Tennessee Code Annotated, Section 55-12-139(b), is amended by deleting the subsection and substituting instead the following:

(b)

(1)

(A) At the time the driver of a motor vehicle is charged with any violation under chapters 8 and 10, parts 1–5, and chapter 50 of this title; any other local ordinance regulating traffic; or at the time of an accident for which notice is required under § 55-10-106, the officer shall request evidence of financial responsibility as required by this section.

(B) In case of an accident for which notice is required under § 55-10-106, the officer shall request evidence of financial responsibility from all drivers involved in the accident without regard to apparent or actual fault.

(C) If the driver of a motor vehicle fails to show an officer evidence of financial responsibility, or provides the officer with evidence of a motor vehicle liability policy as evidence of financial responsibility, the officer shall utilize the vehicle insurance verification program as defined in § 55-12-203 and may rely on the information provided by the vehicle insurance verification program, for the purpose of verifying evidence of liability insurance coverage.

(2) For the purposes of this section, “financial responsibility” means:

(A) Documentation, such as the declaration page of an insurance policy, an insurance binder, or an insurance card from an insurance company authorized to do business in this state,

whether in paper or electronic format, stating that a policy of insurance meeting the requirements of this chapter has been issued;

(B) A certificate, valid for one (1) year, issued by the commissioner of safety, stating that:

(i) A cash deposit or bond in the amount required by this chapter has been paid or filed with the commissioner of revenue; or

(ii) The driver has qualified as a self-insurer under § 55-12-111; or

(C) The motor vehicle being operated at the time of the violation was owned by a common carrier subject to the jurisdiction of the department of safety or the interstate commerce commission, or was owned by the United States, this state, or any political subdivision thereof, and that the motor vehicle was being operated with the owner's consent.

SECTION 3. Tennessee Code Annotated, Section 55-12-139(c)(2), is amended by deleting the language "one hundred dollars (\$100)" and substituting the language "three hundred dollars (\$300)".

SECTION 4. Tennessee Code Annotated, Section 55-12-139(c)(3), is amended by adding the following language as a new subdivision:

A violation of subdivision (c)(1) is a Class A misdemeanor, if a person acts to demonstrate financial responsibility as required by this section by providing proof of motor vehicle liability insurance that the person knows is not valid.

SECTION 5. Tennessee Code Annotated, Section 55-12-139(c), is amended by adding the following language as a new subdivision (4):

(4) If the driver of a motor vehicle fails to provide evidence of financial responsibility pursuant to this section, an officer may tow the motor vehicle as long as the officer's law enforcement agency has adopted a policy delineating the procedure for taking such action.

SECTION 6. Tennessee Code Annotated, Section 10-7-504, is amended by adding the following language as a new subsection:

(r) The records of the insurance verification program created pursuant to the James Lee Atwood Jr. Law, compiled in title 55, chapter 12, part 2, in the possession of the department of revenue or its agent, the department of safety, the department of commerce and insurance, law enforcement, and the judiciary pursuant to the James Lee Atwood Jr. Law, shall be treated as confidential and

shall not be open for inspection by members of the public. Subsection (c) shall not apply to the records described in this subsection (r).

SECTION 7. Tennessee Code Annotated, Title 56, Chapter 7, Part 11, is amended by adding the following language as a new section:

56-7-1118.

(a) Automobile liability insurers, as defined in § 55-12-203, shall comply with any requirements set forth in the James Lee Atwood Jr. Law, compiled in title 55, chapter 12, part 2, and any rules promulgated thereto.

(b) Automobile liability insurers, as defined in § 55-12-203, shall also comply with the following requirements:

(1) Cooperate with the department of revenue or its designated agent, the department of safety, and the department of commerce and insurance in establishing, operating, and maintaining the vehicle insurance verification program, as defined in § 55-12-203;

(2) Maintain the data necessary to verify the existence of financial responsibility, including liability insurance coverage provided to its customers pursuant to the required time period established by the department of revenue, for the vehicle insurance verification program;

(3) Maintain Internet service, pursuant to the requirements established under the James Lee Atwood Jr. Law, through which online insurance verification can take place, including responding to authorized inquiries from the department of revenue or its designated agent of the vehicle insurance verification program; and

(4) Provide security consistent with accepted insurance industry and United States motor vehicle agency standards related to the transmission of personal data.

(c) Automobile liability insurers that make a good faith effort to comply with the requirements described in subsections (a) and (b), shall have immunity from civil and administrative liability as to any action related to the good faith effort.

SECTION 8. Tennessee Code Annotated, Section 56-2-305, is amended by adding the following language as a new subsection:

(f)

(1) If, at any time following the certification of the vehicle insurance verification program under § 55-12-212, the commissioner of commerce and insurance finds that an automobile liability insurer, as

defined in § 55-12-203, has intentionally violated § 56-7-1118, then the commissioner may, after providing the opportunity for a contested case hearing held in accordance with the Uniform Administrative Procedures Act, compiled in title 4, chapter 5, assess a civil penalty against the automobile liability insurer of up to two hundred fifty dollars (\$250) for each day the insurer fails to comply with § 56-7-1118. The commissioner may excuse or reduce the civil penalty under this subdivision (f)(1) for good cause.

(2) Until the certification of the program occurs, the commissioner shall not assess any civil penalty or convene a contested case hearing for an alleged violation of § 56-7-1118 by an automobile liability insurer.

SECTION 9. If any provision of this act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 10. The commissioner of revenue, the commissioner of safety, and the commissioner of commerce and insurance are authorized to promulgate rules to effectuate the purposes of this act. All rules shall be promulgated in accordance with the Uniform Administrative Procedures Act, compiled in Tennessee Code Annotated, title 4, chapter 5.

SECTION 11. For the purposes of contracting with a designated agent pursuant to § 55-12-204(a), if applicable, consulting with entities pursuant to § 55-12-204(b), developing and implementing the program pursuant to § 55-12-206, and promulgating rules pursuant to Section 10, this act shall take effect upon becoming a law, the public welfare requiring it. For all other purposes, this act shall take effect January 1, 2016.

On motion, Insurance and Banking Committee Amendment No. 1 was adopted.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 1, as House Amendment No. 2, as follows:

Amendment No. 2

AMEND House Bill No. 606 by deleting SECTION 11 of the bill, as amended, and substituting the following:

SECTION 11.

(a) For the purposes of contracting with a designated agent pursuant to § 55-12-204(a), if applicable; consulting with entities pursuant to § 55-12-204(b); developing and implementing the program pursuant to § 55-12-206; and promulgating rules pursuant to Section 10, this act shall take effect upon becoming a law, the public welfare requiring it.

(b) For the purposes of Section 3, this act shall take effect July 1, 2015, the public welfare requiring it.

(c) For all other purposes, this act shall take effect January 1, 2016, the public welfare requiring it.

On motion, Finance, Ways & Means Committee Amendment No. 1, as House Amendment No. 2, was adopted.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 2, as House Amendment No. 3, as follows:

Amendment No. 3

AMEND House Bill No. 606 by deleting § 55-12-211 in Section 1 of the bill as amended and substituting instead the following:

55-12-211.

(a) The department of revenue shall not process an application for reinstatement or renewal of registration of a motor vehicle after a suspension or revocation of the registration under § 55-12-210 until:

(1) The applicant pays all fees owed pursuant to § 55-12-210;
and

(2) The applicant pays any applicable county reinstatement fee pursuant to subsection (b).

(b) A county legislative body may vote to impose a county reinstatement fee for reinstatement or renewal of registration of a motor vehicle after a suspension or revocation of the registration under § 55-12-210. This reinstatement fee shall be in addition to any other fee imposed under this chapter and shall not exceed twenty-five dollars (\$25.00).

(c) The commissioner of revenue may waive the fees imposed under § 55-12-210 and the county clerk of the county in which the vehicle is to be registered may waive the county reinstatement fee under subsection (b), if applicable, if:

(1) The registration was suspended or revoked under § 55-12-210; and

(2) The applicant provides proof acceptable to the department of revenue that the applicant had an owner or operator's financial security in effect for the vehicle on the date the suspension or revocation went into effect.

On motion, Finance, Ways & Means Committee Amendment No. 2, as House Amendment No. 3, was adopted.

Rep. Casada moved that there be a two minute limit on further debate, which motion prevailed by the following vote:

1218

This is a draft version of the House Journal and is to be considered UNOFFICIAL. It will become the official record of the House after it has been adopted by the House.

THURSDAY, APRIL 16, 2015 – TWENTY-FIFTH LEGISLATIVE DAY UNOFFICIAL VERSION

Ayes 50
Noes..... 39

Representatives voting aye were: Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Kumar, Littleton, Lollar, Lynn, Marsh, Matheny, Matlock, McCormick, McManus, Powers, Ragan, Ramsey, Reedy, Sargent, Swann, Terry, Todd, White D., Wilburn, Wirgau, Womick, Madam Speaker Harwell -- 50

Representatives voting no were: Akbari, Alexander, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Dunlap, Dunn, Favors, Fitzhugh, Hardaway, Hill M., Hill T., Jernigan, Jones, Love, Lundberg, Miller, Mitchell, Parkinson, Pitts, Pody, Powell, Rogers, Sanderson, Sexton C., Shaw, Shepard, Smith, Sparks, Towns, Travis, Turner, Van Huss, Weaver, Williams, Windle -- 39

Rep. Farmer moved the previous question, which motion prevailed by the following vote:

Ayes 60
Noes..... 25

Representatives voting aye were: Alexander, Beck, Brooks H., Butt, Calfee, Carter, Casada, Daniel, Doss, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, Moody, Pody, Powell, Powers, Ragan, Ramsey, Rogers, Sargent, Swann, Terry, Todd, Van Huss, Weaver, White D., White M., Wilburn, Williams, Wirgau, Womick, Madam Speaker Harwell -- 60

Representatives voting no were: Akbari, Armstrong, Byrd, Camper, Clemmons, Cooper, Dunlap, Dunn, Favors, Fitzhugh, Hardaway, Love, McManus, Miller, Mitchell, Parkinson, Pitts, Sexton C., Shaw, Shepard, Sparks, Stewart, Towns, Travis, Turner -- 25

Rep. Lamberth moved that **House Bill No. 606**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 63
Noes..... 25
Present and not voting..... 4

Representatives voting aye were: Alexander, Beck, Brooks H., Butt, Byrd, Calfee, Casada, Daniel, DeBerry, Doss, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Holsclaw, Holt, Howell, Hulsey, Jernigan, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matheny, Matlock, McCormick, McDaniel, McManus, Mitchell, Moody, Parkinson, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Shaw, Shepard, Swann, Terry, Todd, Weaver, White D., White M., Wilburn, Williams, Wirgau, Womick, Madam Speaker Harwell -- 63

THURSDAY, APRIL 16, 2015 – TWENTY-FIFTH LEGISLATIVE DAY UNOFFICIAL VERSION

Representatives voting no were: Akbari, Armstrong, Camper, Carter, Clemmons, Dunlap, Dunn, Favors, Fitzhugh, Hardaway, Hazlewood, Hill M., Hill T., Johnson, Love, Miller, Pitts, Powell, Smith, Sparks, Stewart, Towns, Turner, Van Huss, Windle -- 25

Representatives present and not voting were: Cooper, Kane, Pody, Travis -- 4

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "not voting" to "aye" on **House Bill No. 606** and have this statement entered in the Journal: Rep. Coley.

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "not voting" to "no" on **House Bill No. 606** and have this statement entered in the Journal: Rep. Jones.

REGULAR CALENDAR, CONTINUED

House Bill No. 96 -- Tobacco, Tobacco Products - As introduced, revises provisions related to information reports of sales of beer and tobacco products. - Amends TCA Title 67, Chapter 1 and Title 67, Chapter 6. by *McCormick, *Brooks K, *Matlock. (*SB107 by *Norris, *Watson)

On motion, House Bill No. 96 was made to conform with **Senate Bill No. 107**; the Senate Bill was substituted for the House Bill.

Rep. Matlock moved that Senate Bill No. 107 be passed on third and final consideration.

Rep. Halford moved that Agriculture and Natural Resources Committee Amendment No. 1 be withdrawn, which motion prevailed.

CHAIR TO JOHNSON

Madam Speaker Harwell relinquished the Chair to Rep. Johnson, Speaker Pro Tempore.

REGULAR CALENDAR, CONTINUED

Rep. Matlock moved that **Senate Bill No. 107** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	90
Noes.....	4

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Favors, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulse, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Marsh, Matheny, Matlock, McCormick, McDaniel, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Spivey, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Williams, Wirgau, Womick, Madam Speaker Harwell -- 90

Representatives voting no were: Dunlap, Lynn, Sparks, Windle -- 4

A motion to reconsider was tabled.

House Bill No. 1011 -- Alcoholic Beverages - As introduced, requires record of delivery of alcoholic beverages by licensed retailer to include the signature of a person 21 years of age or older who was responsible for receiving the delivery. - Amends TCA Title 57, Chapter 3 and Title 57, Chapter 4. by *Sanderson, *Casada, *Sargent, *Durham. (*SB917 by *Johnson)

CHAIR TO SPEAKER

Madam Speaker Harwell resumed the Chair.

REGULAR CALENDAR, CONTINUED

Rep. Sanderson moved that House Bill No. 1011 be passed on third and final consideration.

Rep. Ramsey moved adoption of State Government Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1011 by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 57-3-406, is amended by adding the following as a new subsection:

(k)

(1) Notwithstanding any law or rule to the contrary, beginning July 1, 2015, a delivery service that delivers prepared food from restaurants to customers as part of the delivery service's business is authorized to deliver sealed packages of alcoholic beverages or beer or both sold by a retailer licensed under § 57-3-204 to the delivery service's customers if:

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This is a draft version of the House Journal and is to be considered UNOFFICIAL. It will become the official record of the House after it has been adopted by the House.

(A) The amount of alcoholic beverages and beer delivered to a customer does not exceed more than one gallon (1 gal.) per customer per delivery;

(B) At least fifty percent (50%) of the delivery service's gross sales come from the delivery of food products or prepared food;

(C) Any delivery service employee who delivers alcoholic beverages or beer is twenty-one (21) years of age or older and is licensed pursuant to § 57-3-225;

(D) The delivery service is licensed pursuant to § 57-3-224;

(E) The delivery service has a written agreement with the retailer to deliver the retailer's alcoholic beverages or beer to customers; and

(F) Any delivery service employee, who delivers alcoholic beverages or beer, requires the customer to show a valid, government-issued document, such as a driver license or other form of identification deemed acceptable to the employee that includes the photograph and birth date of the customer before the customer is allowed possession of the alcoholic beverages or beer.

(2) A delivery service described in subdivision (k)(1) shall not be prohibited from charging a fee to customers when delivering sealed packages of alcoholic beverages or beer sold by a retailer.

SECTION 2. Tennessee Code Annotated, Title 57, Chapter 3, Part 2, is amended by adding the following as new sections:

57-3-224.

(a) Beginning July 1, 2015, there is created a delivery service license to be issued by the commission to any delivery service that delivers prepared food from restaurants to customers as part of the delivery service's business and seeks to deliver sealed packages of alcoholic beverages or beer or both sold by a retailer licensed under § 57-3-204 as part of such delivery service.

(b)

(1) Any person, partnership, limited liability company, or corporation desiring to deliver sealed packages of alcoholic beverages or beer sold by a retailer licensed under § 57-3-204 as part of such delivery service shall make application to the commission for a delivery service

license, which application shall be in writing and verified, on forms herein authorized to be prescribed and furnished; and the commission shall, subject to the restrictions of this section, issue such license.

(2)

(A) Any person applying for a delivery service license shall be twenty-one (21) years of age or older and must not have been convicted of a felony as described in § 57-3-210(c).

(B) The commission may issue a delivery service license to any person, partnership, limited liability company, or corporation that is registered to do business in the state of Tennessee regardless of the residence of the ownership of such entity.

(c) Each applicant for a delivery service license shall pay to the commission a one-time, nonrefundable fee in the amount of three hundred dollars (\$300) when the application is submitted for review. A delivery service license shall not be issued by the commission until the applicant pays the annual license fee of one hundred fifty dollars (\$150).

(d) Each delivery service licensee shall conduct, or have a third party conduct, a local and national criminal background check on any potential employee that seeks to be licensed pursuant to § 57-3-225. Such background check shall include a multistate criminal records locator or other similar commercial nationwide database with validation.

(e) It is the duty of each delivery service licensee to ensure that each employee, delivering alcoholic beverages or beer pursuant to § 57-3-406(k) for the licensee, is licensed pursuant to § 57-3-225.

57-3-225.

(a) Beginning July 1, 2015, there is created a delivery employee license to be issued by the commission to any individual employed by a person licensed pursuant to § 57-3-224 who delivers alcoholic beverages or beer pursuant to § 57-3-406(k).

(b) Any individual seeking a delivery employee license shall make application for such license by completing an application form in the manner prescribed by the commission. The individual shall demonstrate that the individual meets the following requirements:

(1) Is at least twenty-one (21) years of age;

(2) Has had a background check done pursuant to § 57-3-224(d) to ensure the individual has not been convicted of any crime involving the sale or distribution of alcohol within the previous eight (8) years or has not been convicted of any felony within the previous five (5) years; and

(3) Has a valid driver license.

(c) Each individual applying for a license under this section shall pay to the commission a fee of fifty dollars (\$50.00). Each delivery employee license shall be valid for a period of five (5) years.

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

On motion, State Government Committee Amendment No. 1 was adopted.

Rep. Sanderson moved that **House Bill No. 1011**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	67
Noes.....	23
Present and not voting.....	3

Representatives voting aye were: Akbari, Armstrong, Beck, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, Durham, Eldridge, Faison, Farmer, Favors, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Holsclaw, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Kumar, Lamberth, Littleton, Lundberg, Marsh, McCormick, McDaniel, McManus, Miller, Mitchell, Parkinson, Pitts, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sexton C., Shaw, Shepard, Spivey, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Weaver, White D., Wilburn, Wirgau, Womick, Madam Speaker Harwell -- 67

Representatives voting no were: Alexander, Brooks H., Brooks K., Byrd, DeBerry, Doss, Dunlap, Dunn, Hardaway, Hill M., Hill T., Holt, Keisling, Lollar, Lynn, Matheny, Matlock, Moody, Sexton J., Sparks, Van Huss, White M., Windle -- 23

Representatives present and not voting were: Butt, Pody, Smith -- 3

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "not voting" to "aye" on **House Bill No. 1011** and have this statement entered in the Journal: Rep. Williams.

REGULAR CALENDAR, CONTINUED

House Bill No. 644 -- Taxes - As introduced, enacts the "Revenue Modernization Act." - Amends TCA Title 67, Chapter 4, Part 20; Title 67, Chapter 4, Part 21; Title 67, Chapter 4, Part 7 and Title 67, Chapter 6. by *McCormick, *Brooks K. (*SB603 by *Norris)

Rep. McCormick moved that House Bill No. 644 be passed on third and final consideration.

Rep. Sargent moved that Finance, Ways & Means Committee Amendment No. 1 be withdrawn, which motion prevailed.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 2 as follows:

Amendment No. 2

AMEND House Bill No. 644 by deleting all of the language after the enacting clause and substituting instead the following:

SECTION 1. This act shall be known and may be cited as the "Revenue Modernization Act."

SECTION 2. Tennessee Code Annotated, Section 67-1-803(a), is amended by deleting subdivision (2) and substituting instead the following:

(2) Under no circumstances, however, shall this authority be deemed to extend to any interest payable under the law in connection with any case of tax deficiency or delinquency.

SECTION 3. Tennessee Code Annotated, Section 67-4-702(a), is amended by inserting the following as a new subdivision:

()

(A) "Substantial nexus in this state" means any direct or indirect connection of the taxpayer to this state such that the taxpayer can be required under the Constitution of the United States to remit the tax imposed under this part. Such connection includes, but is not limited to, any of the following:

(i) The taxpayer is organized or commercially domiciled in this state;

(ii) The taxpayer owns or uses its capital in this state;

(iii) The taxpayer has systematic and continuous business activity in this state that has produced gross receipts attributable to customers in this state; or

(iv) The taxpayer has bright-line presence in this state. A person has bright-line presence in this state for a tax period if any of the following applies:

(a) The taxpayer's total receipts in this state during the tax period, as determined consistent with § 67-4-2012, exceed the lesser of five hundred thousand dollars

(\$500,000) or twenty-five percent (25%) of the taxpayer's total receipts everywhere during the tax period;

(b) The average value of the taxpayer's real and tangible personal property owned or rented and used in this state during the tax period, as determined consistent with § 67-4-2012, exceeds the lesser of fifty thousand dollars (\$50,000) or twenty-five percent (25%) of the average value of all the taxpayer's total real and tangible personal property; or

(c) The total amount paid in this state during the tax period by the taxpayer for compensation, as determined consistent with § 67-4-2012, exceeds the lesser of fifty thousand dollars (\$50,000) or twenty-five percent (25%) of the total compensation paid by the taxpayer;

(B) Notwithstanding subdivision () (A), no company that is treated as a foreign corporation under the Internal Revenue Code and that has no income effectively connected with a United States trade or business shall be considered to have a "substantial nexus in this state." For these purposes, whether a company has income effectively connected with a United States trade or business shall be determined in accordance with the provisions of the Internal Revenue Code;

SECTION 4. Tennessee Code Annotated, Section 67-4-711(a)(6), is amended by deleting the subdivision and substituting instead the following:

(6) The sale of any service that is delivered to a location outside this state;

SECTION 5. Tennessee Code Annotated, Section 67-4-717, is amended by deleting subsection (a) and substituting instead the following:

(a)

(1) Except as otherwise provided in this part, all persons with a substantial nexus in this state during the tax period and engaged in this state in any vocation, occupation, business, or business activity set forth as taxable under § 67-4-708(1)–(5), with or without establishing a physical location, outlet, or other place of business in the state, shall be subject to the tax levied by § 67-4-704. For purposes of this section, the phrase "engaged in this state" shall include, but not be limited to, any of the following:

(A) The sale of tangible personal property that is shipped or delivered to a location in this state;

(B) The sale of a service that is delivered to a location in this state;

(C) The leasing of tangible personal property that is located in this state; or

(D) Making sales as a natural gas marketer to customers located within this state through the presence in this state of the seller's property, through the holding of pipeline capacity by the seller on pipelines located in this state, or through the presence in this state of the seller's employees, agents, independent contractors, or other representatives acting on behalf of the seller to solicit orders, provide customer service, or conduct other activities in furtherance of such sales. For purposes of this subdivision (a)(1)(D), the phrase "presence in this state of the seller's property" shall include property owned by the seller in this state during delivery to the customer, whether in a pipeline or otherwise.

(2) All persons that are subject to the tax levied by § 67-4-704 and have a physical location, outlet, or other place of business within a municipality in this state shall be subject to the tax levied by § 67-4-705. Persons that do not have a physical location, outlet, or other place of business within a municipality in this state shall not be subject to the tax levied by § 67-4-705.

SECTION 6. Tennessee Code Annotated, Section 67-4-2004, is amended by inserting the following as a new, appropriately designated subdivision:

()

(A) "Substantial nexus in this state" means any direct or indirect connection of the taxpayer to this state such that the taxpayer can be required under the Constitution of the United States to remit the tax imposed under this part and part 21 of this chapter. Such connection includes, but is not limited to, the following:

(i) The taxpayer is organized or commercially domiciled in this state;

(ii) The taxpayer owns or uses its capital in this state;

(iii) The taxpayer has systematic and continuous business activity in this state that has produced gross receipts attributable to customers in this state;

(iv) The taxpayer licenses intangible property for use by another party in this state and derives income from that use of intangible property in this state; or

(v) The taxpayer has bright-line presence in this state. A person has bright-line presence in this state for a tax period if any of the following applies:

(a) The taxpayer's total receipts in this state during the tax period, as determined under § 67-4-2012, exceed the lesser of five hundred thousand dollars (\$500,000) or twenty-five percent (25%) of the taxpayer's total receipts everywhere during the tax period;

(b) The average value of the taxpayer's real and tangible personal property owned or rented and used in this state during the tax period, as determined under § 67-4-2012, exceeds the lesser of fifty thousand dollars (\$50,000) or twenty-five percent (25%) of the average value of all the taxpayer's total real and tangible personal property; or

(c) The total amount paid in this state during the tax period by the taxpayer for compensation, determined under § 67-4-2012, exceeds the lesser of fifty thousand dollars (\$50,000) or twenty-five percent (25%) of the total compensation paid by the taxpayer;

(B) Notwithstanding subdivision (A), no company that is treated as a foreign corporation under the Internal Revenue Code and that has no income effectively connected with a United States trade or business shall be considered to have a "substantial nexus in this state";

(C) To the extent a company that is treated as a foreign corporation under the Internal Revenue Code has income effectively connected with a United States trade or business, such company's net earnings and net worth for purposes of the taxes imposed by this part and part 21 of this chapter shall be its net earnings and net worth connected with its United States trade or business, and only property used in, payroll attributable to, and receipts effectively connected with such company's United States trade or business shall be considered for purposes of calculating such company's apportionment fraction;

(D) For purposes of subdivisions (B) and (C), whether a company has income effectively connected with a United States trade or business and the amount of its net earnings and net worth connected with its United States trade or business shall be determined in accordance with the provisions of the Internal Revenue Code;

SECTION 7. Tennessee Code Annotated, Section 67-4-2007(a), is amended by deleting from the first sentence the language "doing business in Tennessee" and substituting instead the language "doing business in this state and having a substantial nexus in this state".

SECTION 8. Tennessee Code Annotated, Section 67-4-2012, is amended by deleting subsection (a) in its entirety and substituting instead the following:

(a)

(1) Except as otherwise provided in this part, for tax years beginning prior to July 1, 2016, all net earnings shall be apportioned to this state by multiplying the earnings by a fraction, the numerator of which shall be the property factor plus the payroll factor plus twice the receipts factor, and the denominator of the fraction shall be four (4).

(2) Except as otherwise provided in this part, for tax years beginning on or after July 1, 2016, all net earnings shall be apportioned to this state by multiplying the earnings by a fraction, the numerator of which shall be the property factor plus the payroll factor plus three (3) times the receipts factor, and the denominator of the fraction shall be five (5).

SECTION 9. Tennessee Code Annotated, Section 67-4-2012, is further amended by deleting subsections (i) and (j) in their entireties and substituting instead the following language as new subsections (i) and (j):

(i)

(1) Sales, other than sales of tangible personal property, are in this state if the taxpayer's market for the sale is in this state. The taxpayer's market for a sale is in this state:

(A) In the case of sale, rental, lease, or license of real property, if and to the extent the property is located in this state;

(B) In the case of rental, lease, or license of tangible personal property, if and to the extent the property is located in this state;

(C) In the case of sale of a service, if and to the extent the service is delivered to a location in this state;

(D) In the case of intangible property:

(i) That is rented, leased, or licensed, if and to the extent the intangible property is used in this state; provided, that intangible property utilized in marketing a good or service to a consumer is considered used in this state if that good or service is purchased by a consumer who is in this state; and

(ii) That is sold, if and to the extent the property is used in this state; provided, that:

(a) A contract right, government license, or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area is considered used in this state if the geographic area includes all or part of this state;

(b) Receipts from intangible property sales that are contingent on the productivity, use, or disposition of the intangible property shall be treated as receipts from the rental, lease, or licensing of such intangible property under subdivision (i)(1)(D)(i); and

(c) All other receipts from a sale of intangible property shall be excluded from the numerator and denominator of the receipts factor.

(2) If the state or states of assignment under subdivision (i)(1) cannot be determined, the state or states of assignment shall be reasonably approximated.

(3) If the state of assignment cannot be determined under subdivision (i)(1) or reasonably approximated under subdivision (i)(2), such sale shall be excluded from the numerator and denominator of the sales factor.

(4) If the application of this subsection (i) to a tax year results in a lower apportionment factor than under the application of the apportionment method in subsection (i) as it was in effect prior to January 1, 2016, then a taxpayer may annually elect to apply the apportionment method in subsection (i) as in effect prior to January 1, 2016; provided, however, the election must result in a higher apportionment factor for the tax year, and the taxpayer must have net earnings, rather than a net loss, for that tax year as computed under § 67-4-2006.

(j)

(1) For any qualified member of a qualified group, total receipts in this state shall equal the receipts from all sales of tangible personal property that are in this state as determined under subsection (h), plus the arithmetical average of the receipts from all sales other than sales of tangible personal property that are in this state as determined under each of the following alternative methods:

(A) All sales that are in this state as determined under subsection (i); and

(B) All sales, other than sales of tangible personal property, where the earnings-producing activity is performed:

(i) In this state; or

(ii) Both in and outside this state and a greater proportion of the earnings-producing activity is performed in this state than in any other state, based on costs of performance.

(2) For purposes of this subsection (j), the following definitions shall apply:

(A) “Qualified expenditures” means expenditures incurred in transactions with persons who are not members of the qualified group for the following:

(i) Purchasing tangible personal property placed in service in this state by a member of the qualified group; and

(ii) Payroll for employees employed by a member of the qualified group at a facility in this state;

(B) “Qualified group” means an affiliated group that meets both of the following criteria:

(i) One or more members of the group is a qualified member; and

(ii) The members of the group, during the tax period, either:

(a) Incur, in the aggregate, qualified expenditures in an amount greater than one hundred fifty million dollars (\$150,000,000); or

(b) Make sales that are subject to the tax imposed by chapter 6 of this title in excess of one hundred fifty million dollars (\$150,000,000);

(C) “Qualified member” means a person that is principally engaged in the sale of “telecommunications service,” “mobile telecommunications service,” “Internet access service,” “video programming service,” “direct-to-home satellite television programming service,” or a combination of such services, as each such term is used or defined in chapter 6 of this title.

(3) The method provided by this subsection (j) for determining the total receipts in this state of a qualified member shall be the only method for determining such receipts under this part.

SECTION 10. Tennessee Code Annotated, Section 67-4-2013(b)(3), is amended by adding the following language as a new subdivision (H) and redesignating existing subdivision (H) and remaining subdivisions accordingly:

(H) Receipts equal to the net gain or income from the sale of a security made by a person who is a dealer in such security within the meaning of 26 U.S.C. § 475 shall be attributed to Tennessee if such person's customer is located in Tennessee and such receipt is not otherwise attributed under subdivision (b)(3)(G). For purposes of this subdivision (b)(3)(H), a customer is in this state if the customer is an individual, trust, or estate that is a resident of this state and, for all other customers, if the customer's commercial domicile is in this state. Unless the dealer has actual knowledge of the residence or commercial domicile of a customer during a taxable year, the customer shall be deemed to be a customer in this state if the billing address of the customer, as shown in the records of the dealer, is in this state;

SECTION 11. Tennessee Code Annotated, Section 67-4-2013(b)(3)(I), as redesignated, is amended by deleting the language "§ 67-4-2012(i)" and substituting instead the language "§ 67-4-2012(i)(1)(C)".

SECTION 12. Tennessee Code Annotated, Section 67-4-2013(b)(3)(L), as redesignated, is amended by deleting the language "(b)(3)(A)–(J)" at the end of the subdivision and substituting instead the language "(b)(3)(A)–(K)".

SECTION 13. Tennessee Code Annotated, Section 67-4-2013(d), is amended by deleting the subsection in its entirety and substituting instead the following:

(d)

(1) For tax years beginning prior to July 1, 2016, the net earnings of a captive REIT affiliated group shall be apportioned to this state based on property, payroll, and double weighted receipts as provided in § 67-4-2012(a)(1), including the factors of those members of the affiliated group that would not be subject to taxation in this state if considered apart from the affiliated group; provided, however, that dividends, receipts, and expenses resulting from transactions between members of the affiliated group shall be excluded for purposes of apportionment under this subdivision (d)(1).

(2) For tax years beginning on or after July 1, 2016, the net earnings of a captive REIT affiliated group shall be apportioned to this state based on property, payroll, and triple weighted receipts as provided in § 67-4-2012(a)(2), including the factors of those members of the affiliated group that would not be subject to taxation in this state if considered apart from the affiliated group; provided, however, that dividends, receipts, and expenses resulting from transactions between

members of the affiliated group shall be excluded for purposes of apportionment under this subdivision (d)(2).

SECTION 14. Tennessee Code Annotated, Title 67, Chapter 4, Part 20, is amended by adding the following language as a new section:

(a) Notwithstanding any law to the contrary, a taxpayer that meets the gross sales threshold and the receipts factor threshold during the tax period qualifies for the application of this section and may elect the application of this section by filing an election form with the department and providing such information as may be required by the commissioner on or before the due date of the tax return for the period for which such election is to take effect. Such election shall remain in effect until revoked by the taxpayer or until the taxpayer no longer qualifies for the election.

(b) For purposes of this section, the following shall apply:

(1) A taxpayer meets the gross sales threshold if the taxpayer's sales of tangible personal property made in this state during the tax period to all distributors exceed one billion dollars (\$1,000,000,000), as determined under § 67-4-2012 without regard to this section;

(2) A taxpayer meets the receipts factor threshold if the taxpayer's receipts factor, as determined under § 67-4-2012 without regard to this section, exceeds ten percent (10%); and

(3) "Certified distribution sales" means sales of tangible personal property made in this state by the taxpayer to any distributor, whether or not affiliated with the taxpayer, that is resold for ultimate use or consumption outside the state; provided, that the distributor has certified that such property has been resold for ultimate use or consumption outside this state. Such certification shall be made in the manner prescribed by the commissioner.

(c)

(1) A taxpayer that has made the election described in subsection (a) shall, so long as such election is in effect, apportion net earnings and net worth in the manner prescribed elsewhere in this part and part 21 of this chapter; provided, however, that the total amount derived from certified distribution sales shall be excluded from the numerator of the receipts factor, as that term is defined elsewhere in this part and part 21 of this chapter.

(2) A taxpayer that has made the election described in subsection (a) shall, so long as such election is in effect, pay to the commissioner, annually, an excise tax on the total amount of certified distribution sales excluded from the numerator of the taxpayer's receipts factor. The amount of such tax shall be computed in the following manner:

(A) In the case of taxpayers excluding no more than two billion dollars (\$2,000,000,000) of certified distribution sales for the tax period, the amount of such tax shall be five-tenths of one percent (0.5%) of the total amount of certified distribution sales;

(B) In the case of taxpayers excluding more than two billion dollars (\$2,000,000,000) but no more than three billion dollars (\$3,000,000,000) of certified distribution sales for the tax period, the amount of such tax shall be:

(i) Three-eighths of one percent (0.375%) of certified distribution sales in excess of two billion dollars (\$2,000,000,000); plus

(ii) Ten million dollars (\$10,000,000);

(C) In the case of taxpayers excluding more than three billion dollars (\$3,000,000,000) but no more than four billion dollars (\$4,000,000,000) of certified distribution sales for the tax period, the amount of such tax shall be:

(i) One-fourth of one percent (0.25%) of certified distribution sales in excess three billion dollars (\$3,000,000,000); plus

(ii) Thirteen million, seven hundred fifty thousand dollars (\$13,750,000); and

(D) In the case of taxpayers excluding more than four billion dollars (\$4,000,000,000) of certified distribution sales for the tax period, the amount of such tax shall be:

(i) One-eighth of one percent (0.125%) of certified distribution sales in excess of four billion dollars (\$4,000,000,000); plus

(ii) Sixteen million, two hundred fifty thousand dollars (\$16,250,000).

(3) The tax due under subdivision (c)(2) shall be in addition to all other taxes, including the tax imposed by § 67-4-2007(a).

SECTION 15. Tennessee Code Annotated, Section 67-4-2105(a), is amended by deleting from the first sentence the language “doing business in Tennessee” and substituting instead the language “doing business in this state and having a substantial nexus in this state”.

SECTION 16. Tennessee Code Annotated, Section 67-4-2111, is amended by deleting subsection (a) in its entirety and substituting instead the following:

(a)

(1) Except as otherwise provided in this part, for tax years beginning prior to July 1, 2016, the net worth of a taxpayer doing business both in and outside this state shall be apportioned to this state by multiplying such values by a fraction, the numerator of which shall be the property factor plus the payroll factor plus twice the receipts factor, and the denominator of the fraction shall be four (4).

(2) Except as otherwise provided in this part, for tax years beginning on or after July 1, 2016, the net worth of a taxpayer doing business both in and outside this state shall be apportioned to this state by multiplying such values by a fraction, the numerator of which shall be the property factor plus the payroll factor plus three (3) times the receipts factor, and the denominator of the fraction shall be five (5).

SECTION 17. Tennessee Code Annotated, Sections 67-4-2111, is further amended by deleting subsections (i) and (j) in their entireties and substituting instead the following language as new subsections (i) and (j):

(i)

(1) Sales, other than sales of tangible personal property, are in this state if the taxpayer's market for the sales is in this state. The taxpayer's market for a sale is in this state:

(A) In the case of sale, rental, lease, or license of real property, if and to the extent the property is located in this state;

(B) In the case of rental, lease, or license of tangible personal property, if and to the extent the property is located in this state;

(C) In the case of sale of a service, if and to the extent the service is delivered to a location in this state; and

(D) In the case of intangible property:

(i) That is rented, leased, or licensed, if and to the extent the intangible property is used in this state; provided, that intangible property utilized in marketing a good or service to a consumer is considered used in this state if that good or service is purchased by a consumer who is in this state; and

(ii) That is sold, if and to the extent the property is used in this state; provided, that:

(a) A contract right, government license, or similar intangible property that authorizes the holder to conduct a business activity in a specific geographic area is considered used in this state if the geographic area includes all or part of this state;

(b) Receipts from intangible property sales that are contingent on the productivity, use, or disposition of the intangible property shall be treated as receipts from the rental, lease, or licensing of such intangible property under subdivision (i)(1)(D)(i); and

(c) All other receipts from a sale of intangible property shall be excluded from the numerator and denominator of the receipts factor.

(2) If the state or states of assignment under subdivision (i)(1) cannot be determined, the state or states of assignment shall be reasonably approximated.

(3) If the state of assignment cannot be determined under subdivision (i)(1) or reasonably approximated under subdivision (i)(2), such sale shall be excluded from the numerator and denominator of the sales factor.

(4) If the application of this subsection (i) to a tax year results in a lower apportionment factor than under the application of the apportionment method in this subsection (i) as it was in effect prior to January 1, 2016, then a taxpayer may annually elect to apply the apportionment method in this subsection (i) as in effect prior to January 1, 2016; provided, however, the election must result in a higher apportionment factor for the tax year, and the taxpayer must have net earnings, rather than a net loss, for that tax year as computed under § 67-4-2006.

(j)

(1) For any qualified member of a qualified group, total receipts in this state shall equal the receipts from all sales of tangible personal property that are in this state as determined under subsection (h), plus the arithmetical average of the receipts from all sales other than sales of tangible personal property that are in this state as determined under each of the following alternative methods:

(A) All sales that are in this state as determined under subsection (i); and

(B) All sales, other than sales of tangible personal property, where the earnings-producing activity is performed:

(i) In this state; or

(ii) Both in and outside this state and a greater proportion of the earnings-producing activity is performed in this state than in any other state, based on costs of performance.

(2) For purposes of this subsection (j), the following definitions shall apply:

(A) “Qualified expenditures” means expenditures incurred in transactions with persons who are not members of the qualified group for the following:

(i) Purchasing tangible personal property placed in service in this state by a member of the qualified group; and

(ii) Payroll for employees employed by a member of the qualified group at a facility in this state;

(B) “Qualified group” means an affiliated group that meets both of the following criteria:

(i) One or more members of the group is a qualified member; and

(ii) The members of the group, during the tax period, either:

(a) Incur, in the aggregate, qualified expenditures in an amount greater than one hundred fifty million dollars (\$150,000,000); or

(b) Make sales that are subject to the tax imposed by chapter 6 of this title in excess of one hundred fifty million dollars (\$150,000,000);

(C) “Qualified member” means a person that is principally engaged in the sale of “telecommunications service,” “mobile telecommunications service,” “Internet access service,” “video programming service,” “direct-to-home satellite television

programming service,” or a combination of such services, as each such term is used or defined in chapter 6 of this title.

(3) The method provided by this subsection (j) for determining the total receipts in this state of a qualified member shall be the only method for determining such receipts under this part.

SECTION 18. Tennessee Code Annotated, Section 67-4-2118(c), is amended by adding the following language as a new subdivision (8) and redesignating existing subdivision (8) and remaining subdivisions accordingly:

(8) Receipts equal to the net gain or income from the sale of a security made by a person who is a dealer in such security within the meaning of 26 U.S.C. § 475 shall be attributed to Tennessee if such person’s customer is located in Tennessee and the receipt is not otherwise attributed under subdivision (c)(7). For purposes of this subdivision (c)(8), a customer is in this state if the customer is an individual, trust, or estate that is a resident of this state and, for all other customers, if the customer’s commercial domicile is in this state. Unless the dealer has actual knowledge of the residence or commercial domicile of a customer during a taxable year, the customer shall be deemed to be a customer in this state if the billing address of the customer, as shown in the records of the dealer, is in this state;

SECTION 19. Tennessee Code Annotated, Section 67-4-2118(c)(9), as redesignated, is amended by deleting the language “§ 67-4-2111(i)” and substituting instead the language “§ 67-4-2111(i)(1)(C)”.

SECTION 20. Tennessee Code Annotated, Section 67-4-2118(c)(12), as redesignated, is amended by deleting the language “(c)(1)–(10)” at the end of the subdivision and substituting instead the language “(c)(1)–(11)”.

SECTION 21. Tennessee Code Annotated, Section 67-6-102, is amended by inserting the following as a new subdivision:

() “Video game digital product” means the right to access and use computer software that facilitates human interaction with a user interface to generate visual feedback for amusement purposes, when possession of the computer software is maintained by the seller or a third party, regardless of whether the charge for the service is on a per use, per user, per license, subscription, or some other basis;

SECTION 22. Tennessee Code Annotated, Section 67-6-231(a), is amended by designating the current language as subdivision (1) and adding the following language as subdivision (2):

(2) For purposes of subdivision (a)(1), “use of computer software” includes the access and use of software that remains in the possession of the dealer who provides the software or in the possession of a third party on behalf of such dealer. If the customer accesses the software from a location in this state as indicated by the residential street address or the primary business address of the customer, such access shall be deemed equivalent to the sale or licensing of the software and electronic

delivery of the software for use in this state. If the sales price or purchase price of the software relates to users located both in this state and outside this state as indicated by a residential street or business address, the dealer or customer may allocate to this state a percentage of the sales price or purchase price that equals the percentage of users in this state. Any dealer that purchases computer software only for the purpose of reselling access and use of such software as described in this subdivision (a)(2) shall be entitled to purchase such software exempt from the tax imposed by this chapter, subject to the same rules that apply generally to any sale of tangible personal property for resale; provided, however, that software purchased by a qualified data center for access and use by an affiliated company, as defined by § 67-6-395(c), shall be deemed to be used and consumed by the qualified data center and not resold to the affiliated company. Nothing in this subdivision (a)(2) shall be construed to impose a tax on any services that are not currently subject to tax under this chapter, such as, but not limited to, information or data processing services, including the capability of the customer to analyze such information or data provided by the dealer; payment or transaction processing services; payroll processing services; data processing services; billing and collection services; Internet access; the storage of data, digital codes, or computer software; or the service of converting, managing, and distributing digital products.

SECTION 23. Tennessee Code Annotated, Section 67-6-233, is amended by deleting the language “specified digital products” wherever it appears and substituting instead the language “specified digital products or video game digital products” and is further amended by deleting the language “specified digital product” wherever it appears and substituting instead the language “specified digital product or video game digital product”.

SECTION 24. Tennessee Code Annotated, Section 67-6-387, is amended by redesignating the existing language as subsection (a) and adding the following as new subsection (b):

(b) There is exempt from the tax imposed by this chapter the access and use of software that remains in the possession of the dealer who provides the software or in the possession of a third party on behalf of such dealer, as described in § 67-6-231(a)(2), where such access and use of the software is solely by a person or such person’s direct employee, as defined in subsection (a), for the exclusive purpose of fabricating other software that is both:

(1) Owned by that person; and

(2) For that person’s own use and consumption.

SECTION 25. Tennessee Code Annotated, Section 67-6-395, is amended by deleting subsection (a) in its entirety and substituting instead the following:

(a) There is exempt from the tax imposed by this chapter the use of computer software that is developed and fabricated by an affiliated company, regardless of whether such software is accessed and used as described in § 67-6-231(a)(2) or delivered by other means.

SECTION 26. Tennessee Code Annotated, Title 67, Chapter 6, Part 5, is amended by adding the following as a new section:

It is the legislative intent to impose the taxes levied by this chapter to the fullest extent allowed under the constitutions of the United States and the state of Tennessee.

SECTION 27. Tennessee Code Annotated, Title 67, Chapter 6, Part 5, is amended by adding the following as a new section:

(a) A dealer is presumed to have a representative, agent, salesperson, canvasser, or solicitor operating in this state for the purpose of making sales and is presumed to have a substantial nexus with this state if:

(1) The dealer enters into an agreement or contract with one (1) or more persons located in this state under which the person, for a commission or other consideration, directly or indirectly refers potential customers to the dealer, whether by a link on an Internet web site or any other means; and

(2) The dealer's cumulative gross receipts from retail sales made by the dealer to customers in this state who are referred to the dealer by all residents with this type of an agreement with the dealer exceed ten thousand dollars (\$10,000) during the preceding twelve (12) months.

(b) The presumption in subsection (a) may be rebutted only by clear and convincing evidence that the person with whom the dealer has an agreement or contract did not conduct any activities in this state that would substantially contribute to the dealer's ability to establish and maintain a market in this state during the preceding twelve (12) months.

SECTION 28. If any provision of this act or the application of any provision of this act to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the act that can be given effect without the invalid provision or application, and to that end, the provisions of this act are declared to be severable.

SECTION 29. Sections 3, 4, 5, 6, 7, 14, and 15 of this act shall take effect January 1, 2016, the public welfare requiring it, and shall apply to all tax years beginning on or after January 1, 2016. Sections 9, 10, 11, 12, 17, 18, 19, and 20 of this act shall take effect July 1, 2016, the public welfare requiring it, and shall apply to all tax years beginning on or after July 1, 2016. Sections 21, 22, 23, 24, 25, and 27 of this act shall take effect July 1, 2015, the public welfare requiring it. Section 2 of this act shall take effect July 1, 2016, the public welfare requiring it. All other sections of this act shall take effect upon becoming a law, the public welfare requiring it.

On motion, Finance, Ways & Means Committee Amendment No. 2 was adopted.

Rep. Sargent moved adoption of House Amendment No. 3 as follows:

Amendment No. 3

1240

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AMEND House Bill No. 644 by inserting the following language as new SECTIONS 28 and 29 and renumbering the subsequent sections accordingly:

SECTION 28. Tennessee Code Annotated, Section 67-4-2006(b)(2)(N), is amended by deleting the subdivision and by substituting instead the following:

(N) Any intangible expense paid, accrued, or incurred in connection with a transaction with one (1) or more affiliates, if the following criteria are met:

(i) The intangible expense has been disclosed in accordance with subdivision (d)(1); and

(ii) If the affiliate to whom the expense has been paid, accrued, or incurred is required to be registered and pay the tax imposed by this part, the affiliate is in fact registered and paying the tax;

SECTION 29. Tennessee Code Annotated, Section 67-4-2006(d), is amended by deleting the subsection and by substituting instead the following:

(d)

(1) Any taxpayer that pays, accrues, or incurs intangible expenses as a result of a transaction with one (1) or more affiliates shall disclose the intangible expenses on the form as prescribed by the commissioner.

(2) Any taxpayer that pays, accrues, or incurs intangible expenses as a result of a transaction with one (1) or more affiliates and either fails to disclose the intangible expenses or fails to add the expenses to net earnings or net losses in accordance with subdivision (b)(1)(K) shall be subject to a negligence penalty as set forth in § 67-1-804(b)(2).

AND FURTHER AMEND by deleting the language “Sections 9, 10, 11, 12, 17, 18, 19, and 20” in the effective date section and substituting instead “Sections 9, 10, 11, 12, 17, 18, 19, 20, 28, and 29”.

On motion, House Amendment No. 3 was adopted.

Rep. McCormick moved that **House Bill No. 644**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 90

1241

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Noes..... 3

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunn, Eldridge, Faison, Farmer, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Lynn, Marsh, Matlock, McCormick, McDaniel, McManus, Miller, Moody, Parkinson, Pitts, Pody, Powell, Powers, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Spivey, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Williams, Wirgau, Womick, Madam Speaker Harwell -- 90

Representatives voting no were: Dunlap, Mitchell, Windle -- 3

A motion to reconsider was tabled.

House Bill No. 473 -- Education - As introduced, requires the Tennessee financial literacy commission to post its annual report on the web site of the department of the treasury. - Amends TCA Title 49. by *Brooks H, *McCormick. (*SB293 by *Gresham)

Rep. H. Brooks moved that House Bill No. 473 be passed on third and final consideration.

Rep. Moody moved adoption of Education Administration & Planning Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 473 by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 49-13-106(a), is amended by adding the following language as a new subdivision (3):

(3)

(A) Charter schools authorized by the achievement school district shall conduct an initial student application period of at least thirty (30) days. During this period, all students zoned to attend or currently enrolled in a school that is eligible to be placed in the achievement school district may enroll. If, at the end of the initial student enrollment period, the number of eligible students seeking to be enrolled does not exceed the school's capacity or the capacity of a program, class, grade level, or building, then the charter school may enroll the child or children of a teacher, staff member, sponsor, or member of the governing body as well as students identified in subdivisions (b)(1)(C)(ii), (iii), and (iv) and in accordance with enrollment provisions contained in the charter agreement; provided, however, that no school's total enrollment of such

students shall exceed twenty-five percent (25%) of the total school enrollment.

(B) Upon acquiring sufficient data to achieve a student achievement growth score as represented by the Tennessee Value-Added Assessment System (TVAAS), a charter school authorized by the ASD may not enroll additional students identified in subdivisions (b)(1)(C)(ii), (iii), and (iv) as permitted in subdivision (a)(3)(A) unless the school demonstrates student achievement growth at a level of “at expectations” or above. This restriction shall not affect students previously enrolled pursuant to subdivision (a)(3)(A).

SECTION 2. Tennessee Code Annotated, Section 49-13-106(a)(2), is amended by designating the existing language as subdivision (A) and adding the following language as subdivision (B):

(B) If the achievement school district (ASD) authorizes a charter school under § 49-1-614, the ASD shall receive an annual authorizer fee of up to three percent (3%) of the charter school’s per student state and local funding as allocated under § 49-13-112(a). By May 1 of each year, the commissioner shall set the percentage of a charter school’s per student state and local funding that the ASD shall receive as the annual authorizer fee for the next school year.

SECTION 3. This act shall take effect July 1, 2015, the public welfare requiring it.

On motion, Education Administration & Planning Committee Amendment No. 1 was adopted.

EXCUSED

The Speaker announced that the following member has been excused, pursuant to request under **Rule No. 20**:

Representative Favors

REGULAR CALENDAR, CONTINUED

Rep. Pitts moved the previous question, which motion prevailed by the following vote:

Ayes	65
Noes	25

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, DeBerry, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn,

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Marsh, McCormick, McManus, Moody, Pitts, Pody, Powers, Ragan, Ramsey, Reedy, Rogers, Sargent, Sexton J., Smith, Sparks, Spivey, Swann, Todd, Travis, Weaver, White D., White M., Wilburn, Williams, Wirgau, Madam Speaker Harwell -- 65

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, Dunlap, Fitzhugh, Hardaway, Jernigan, Jones, Love, Matlock, Miller, Mitchell, Parkinson, Powell, Sexton C., Shaw, Shepard, Stewart, Terry, Towns, Turner, Womick -- 25

Rep. H. Brooks moved that **House Bill No. 473**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	59
Noes.....	31

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Calfee, Carter, Casada, Daniel, DeBerry, Doss, Dunn, Eldridge, Faison, Farmer, Fitzhugh, Goins, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Kane, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pitts, Pody, Powers, Ragan, Ramsey, Reedy, Rogers, Sargent, Sexton J., Smith, Sparks, Spivey, Swann, Terry, Todd, Travis, Weaver, White D., White M., Wilburn, Williams, Madam Speaker Harwell -- 59

Representatives voting no were: Akbari, Armstrong, Beck, Byrd, Camper, Clemmons, Coley, Cooper, Dunlap, Forgety, Gravitt, Hardaway, Howell, Hulsey, Jernigan, Jones, Keisling, Love, Miller, Mitchell, Parkinson, Powell, Sanderson, Sexton C., Shaw, Shepard, Stewart, Towns, Turner, Windle, Womick -- 31

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "present and not voting" to "aye" on **House Bill No. 473** and have this statement entered in the Journal: Rep. Van Huss.

REGULAR CALENDAR, CONTINUED

House Bill No. 643 -- Taxes - As introduced, increases, from five and one-half percent to six percent, the rate of tax imposed on health maintenance organizations (HMOs) doing business in this state on the gross amount of dollars collected from an enrollee or on an enrollee's behalf. - Amends TCA Section 56-32-124. by *McCormick. (*SB602 by *Norris)

On motion, House Bill No. 643 was made to conform with **Senate Bill No. 602**; the Senate Bill was substituted for the House Bill.

Rep. McCormick moved that Senate Bill No. 602 be passed on third and final consideration.

Rep. Lollar moved the previous question, which motion prevailed.

Rep. McCormick moved that **Senate Bill No. 602** be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	74
Noes.....	16
Present and not voting.....	1

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Daniel, DeBerry, Doss, Dunn, Eldridge, Faison, Farmer, Fitzhugh, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Holsclaw, Howell, Hulse, Jernigan, Johnson, Jones, Kane, Kumar, Lamberth, Lollar, Lundberg, Marsh, Matlock, McCormick, McDaniel, McManus, Miller, Mitchell, Moody, Pitts, Powell, Powers, Ramsey, Reedy, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Spivey, Stewart, Swann, Terry, Todd, Travis, White D., White M., Wilburn, Williams, Wirgau, Womick, Madam Speaker Harwell -- 74

Representatives voting no were: Cooper, Dunlap, Durham, Hardaway, Hill M., Hill T., Holt, Littleton, Lynn, Pody, Rogers, Towns, Turner, Van Huss, Weaver, Windle -- 16

Representatives present and not voting were: Ragan -- 1

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "aye" to "present and not voting" on **Senate Bill No. 602** and have this statement entered in the Journal: Rep. Powers.

EXCUSED

The Speaker announced that the following members have been excused, pursuant to requests under **Rule No. 20**:

Representative Matheny

Representative McDaniel; illness

RECESS

Rep. McCormick moved that the House stand in recess 12:45 p.m., which motion prevailed.

RECESS EXPIRED

The recess having expired, the House was called to order by Madam Speaker Harwell.

ROLL CALL DISPENSED

On motion of Rep. McCormick the roll call was dispensed with.

EXCUSED

The Speaker announced that the following member has been excused, pursuant to request under **Rule No. 20**:

Representative Powers

PRESENT IN CHAMBER

Rep. Spivey was recorded as being present in the Chamber.

MOTION TO RESET BILLS

Rep. McCormick moved that all remaining bills set for today's Regular Calendar be reset for the Regular Calendar on April 20, 2015, which motion prevailed.

SPECIAL ORDER

Without objection, Rep. McCormick moved the House take up the Appropriations Calendar at this time, which motion prevailed.

RULES SUSPENDED

Rep. Pitts moved that the rules be suspended for the purpose of introducing House Joint Resolution No. 386 out of order, which motion prevailed.

House Joint Resolution No. 386 -- Memorials, Retirement - Rebecca S. Sharber, superintendent, Franklin County Schools. by *Pitts, *Alexander.

On motion, the rules were suspended for the immediate consideration of the resolution.

On motion of Rep. Pitts, the resolution was adopted.

A motion to reconsider was tabled.

APPROPRIATIONS CALENDAR

***House Bill No. 1374** -- Appropriations - As introduced, makes appropriations for fiscal years beginning July 1, 2014, and July 1, 2015. by *Sargent, *McCormick. (SB1399 by *Norris, *McNally)

Rep. Sargent moved that House Bill No. 1374 be passed on third and final consideration.

Rep. Sargent moved that Finance, Ways & Means Committee Amendment No. 1 be withdrawn, which motion prevailed.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 2 as follows:

Amendment No. 2

AMEND House Bill No. 1374

ADMINISTRATION AMENDMENT

by adding the following Sections between Sections 57 and 58 of the bill and by renumbering the Sections accordingly.

ADDITIONAL 2015-2016 APPROPRIATIONS

SECTION 58. Other Additions to Budget. In addition to the amounts appropriated in Sections 1 and 4 of this act, the following amounts are appropriated, and the Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust federal aid and other departmental revenues and position authorizations accordingly. Full-time (FT) and part-time (PT) position authorizations are estimated in the text of the following line items.

Item 1. General Fund and Education Fund Appropriations. The following appropriations are from the general fund and education fund, as applicable.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. Court System – New Judgeship in the 19 th Judicial District (2 FT)	\$ 297,100	\$ 24,800
2. Comptroller of the Treasury – Property Tax Relief	0	7,000,000
3. Finance and Administration – Strategy for Efficiency in Real Estate Management (SEREM)	0	470,000
4. Finance and Administration – Governor's Fellows Program (5 FT)	323,000	0

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5.	TennCare – TennCare Medical Services – Restore 1% Provider Rate Reduction	0	18,173,000
6.	TennCare – TennCare Medical Services – Restore Mental Health Case Management Reduction	5,240,300	5,240,700
7.	Agriculture – Transfer Livestock Animal Abuse Investigation from UT Extension Service	363,000	81,000
8.	Tourism – Marketing Task Force	1,000,000	0
9.	Economic and Community Development – Film and TV Incentive Fund – Grants	0	12,000,000
10.	Economic and Community Development – Business Development – Oak Ridge Manufacturing Research Grant	0	3,000,000
11.	Economic and Community Development – Business Development – Center for Advanced Manufacturing Research Grant	0	2,000,000
12.	Economic and Community Development – FastTrack – Grant	10,000,000	0
13.	Economic and Community Development – FastTrack – Training Grant	0	1,687,500
14.	Education – Basic Education Program – 11 th Month of Group Health Insurance	29,270,000	0
15.	Education – Teachers and Leaders – School Leadership Training – Grant	0	250,000
16.	Board of Regents – East Tennessee State University – Gray Fossil Site - Operations	350,000	5,000,000
17.	Commerce and Insurance – Cemetery Consumer Protection Fund – General Fund Subsidy	0	475,000
18.	Labor and Workforce Development – Adult High School Completion Program	0	1,000,000
19.	Mental Health and Substance Abuse Services – Regional Mental Health Institutes – Operations	0	1,500,000
20.	Mental Health and Substance Abuse Services – Adolescent Residential Alcohol and Drug Treatment – Grants	0	1,862,500
21.	Mental Health and Substance Abuse Services– Opioid Addiction Treatment – Pilot Program	0	500,000
22.	Health – Meharry Medical College Wellness Program - Grant	0	1,000,000
23.	Miscellaneous Appropriations – Restore Employee Longevity Payments	15,410,300	0
24.	Children’s Services – Pilot Program for Juvenile Justice	200,000	0
25.	Miscellaneous Appropriations – Davy Crockett Bust – Additional Funds	0	35,000

Total**\$ 62,453,700****\$ 61,299,500**

The appropriation in this item to the Comptroller of the Treasury for Property Tax Relief is contingent upon an annual income limit of fifty-two thousand five hundred dollars (\$52,500) for taxpayers defined in Tennessee Code Annotated, Section 67-5-704, being established for tax year 2016.

The appropriation in this item to the Department of Mental Health and Substance Abuse Services for Adolescent Residential Alcohol and Drug Treatment Grants is for the sole purpose of making grants in the amount of \$372,500 each to five (5) community alcohol and drug services providers of adolescent residential treatment services.

The appropriation in this item to the Department of Mental Health and Substance Abuse Services for Opioid Addiction Treatment – Pilot Program is to provide opioid addiction treatment, including non-narcotic medication-assisted treatment, to persons in the custody of the Department of Correction who are determined to be high risk according to the Level of Service/Case Management Inventory (LS/CMI) assessment criteria.

The appropriation in this item to Miscellaneous Appropriations for the Davy Crockett Bust is in addition to the \$25,000 appropriated in Chapter 919, Public Acts of 2014 for Senate Joint Resolution 505.

Item 2. Dedicated Source Appropriations. The following appropriations are from dedicated state revenue sources and departmental revenues.

	Recurring	Non-Recurring
1. Treasury – Employer Audit Program (4 FT)	\$ 578,000	\$ 0
2. Wildlife Resources Agency – Fully Fund Mandatory Step Raise	73,000	0
3. Wildlife Resources Agency – Boating Safety – Fully Fund Mandatory Step Raise	2,000	0
4. Miscellaneous Appropriations – Restore Employee Longevity Payments	1,508,000	0
Total	\$ 2,161,000	\$ 0

SECTION 59. Legislation. In addition to the appropriations in Sections 1 and 4 of this act, the following amounts hereby are appropriated for the purpose of implementing the cited bills, and such additional or lesser amounts indicated in the final fiscal note on the bills as enacted are hereby appropriated. The Commissioner of Finance and Administration is authorized to allocate the appropriations to the appropriate organizational units and to adjust federal aid and other departmental revenues and authorized positions accordingly. Federal and other departmental revenue adjustments may be made in reconciliation to said fiscal notes and to available

federal aid and other departmental revenue. Adjustments to the number of authorized positions indicated in the line items as full-time (FT), part-time (PT), and seasonal shall be reconciled to the fiscal notes. The negative amounts in line-items of this section are appropriation reductions, and the positive amounts are appropriation increases. The appropriation in each item of this section is subject to the bill cited in that item becoming a law, except as otherwise provided.

Item 1. General Fund and Education Fund Appropriations. The following appropriations are from the general fund and education fund, as applicable.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. SB 972 / HB 767 – Secretary of State – For-Profit Benefit Corporation	\$ 0	\$ 39,200
2. SB 1336 / HB 1197 – Comptroller of the Treasury – Tax Relief	13,000	0
3. SB 1162 / HB 999 – Treasury Department – ABLE 529 Program	250,400	(73,400)
4. SB 1401 / HB 1376 - Budget Implementation - General Law Changes - Sum Sufficient Estimated @ \$0	0	0
5. SB 318 / HB 287 – Correction – Incarceration – Synthetic Controlled Substances – Fiscal Note Reconciliation	27,300	0
6. SB 1316 / HB 120 – Correction – Incarceration – Aggravated Vehicular Assault	200,900	13,800
7. SB 1163 / HB 1035 – State Board of Education – Curriculum Standards (1 FT)	0	166,200
8. SB 999 / HB 1049 – Tennessee Choice and Opportunity Scholarship Act (2 FT)	185,000	0
9. SB 80 / HB 70 – Commerce & Insurance – Captive Insurance – Fiscal Note Reconciliation	(15,800)	1,000
10. SB 114 / HB 103 – Cover Kids – Repeal Date – Fiscal Note Reconciliation	(137,900)	0
Total	\$ 522,900	\$ 146,800

Item 2. Dedicated Source and Earmarked Appropriations. The following appropriations are from dedicated state revenue sources and departmental revenues.

	<u>Recurring</u>	<u>Non-Recurring</u>
1. SB 92 / HB 81 – Environment and Conservation – Underground Storage	\$ (875,000)	\$ 0

Tanks – Fiscal Note Reconciliation

Total

\$ (875,000)

\$ 0

SECTION 60. Cost Increase Reductions. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts for the purpose of deleting cost increase appropriations and positions that had been recommended in the 2015-2016 Budget Document, and the Commissioner of Finance and Administration is authorized to allocate the appropriation reductions to the appropriate organizational units and to adjust federal aid and other departmental revenues and authorized positions accordingly.

Item 1. The appropriation in Section 1, Title II, Item 1, Appellate and Trial Courts, hereby is reduced in the amount of \$38,100 for mandated salary increase.

Item 2. The appropriation in Section 1, Title III-1, Item 1.1, Attorney General and Reporter, hereby is reduced in the amount of \$300 for statutory salary raises.

Item 3. The appropriation in Section 1, Title III-1, Item 4.3, Shelby County Public Defender, hereby is reduced in the amount of \$5,000 for statutory increase for CPI – Davidson County and Shelby County.

Item 4. The appropriation in Section 1, Title III-1, Item 4.4, Davidson County Public Defender, hereby is reduced in the amount of \$2,100 for statutory increase for CPI – Davidson County and Shelby County.

Item 5. The appropriation in Section 1, Title III-2, Item 1.1, Governor's Office, hereby is reduced in the amount of \$100 for statutory salary increase.

Item 6. The dedicated appropriation in Section 1, Title III-6, Item 1, Wildlife Resources Agency, hereby is reduced in the amount of \$285,800 to reduce the commissioned officers salary survey to 2.0 percent.

Item 7. The dedicated appropriation in Section 1, Title III-6, Item 2, Boating Safety, hereby is reduced in the amount of \$39,000 to reduce the commissioned officers salary survey to 2.0 percent.

Item 8. The appropriation in Section 1, Title III-11, Item 8, Tennessee Law Enforcement Training Academy, hereby is reduced in the amount of \$8,200 to reduce the commissioned officers salary survey to 2.0 percent.

Item 9. The appropriation in Section 1, Title III-20, Item 3, Highway Patrol, hereby is reduced in the amount of \$596,600 to reduce the commissioned officers salary survey to 2.0 percent.

Item 10. The appropriation in Section 1, Title III-22, Item 13, State Employees Salary Pool, hereby is reduced in the amount of \$15,410,300 to reduce the pool to the equivalent of a 2.0 percent increase.

Item 11. The appropriation in Section 1, Title III-22, Item 29, Administration Legislation, hereby is reduced in the amount of \$5,000,000, with \$2,000,000 being recurring and \$3,000,000 being non-recurring.

Item 12. The appropriation in Section 1, Title III-22, Item 30, Administration Amendment, hereby is reduced in the amount of \$12,000,000, with \$7,000,000 being recurring and \$5,000,000 being non-recurring.

Item 13. The appropriation in Section 1, Title III-22, Item 13, State Employees Salary Pool, hereby is reduced in the amount of \$16,144,900 (non-recurring) to recognize the January 1, 2016 effective date of performance pay salary increases.

SECTION 61. Additional Base Reductions. The appropriations in Section 1 of this act, except as otherwise provided herein, hereby are reduced in the following amounts in addition to the base reductions and positions that had been recommended in Volume 2 of the 2015-2016 Budget Document, and the Commissioner of Finance and Administration is authorized to allocate the appropriation reductions to the appropriate organizational units and to adjust federal aid and other departmental revenues and authorized positions accordingly.

Item 1. The appropriation in Section 1, Title III-9, Item 2.1b, Career Ladder, is hereby reduced by \$3,500,000 recurring.

Item 2. The appropriation in Section 1, Title III-9, Item 2.1c, Basic Education Program, is hereby reduced by \$2,900,000 recurring.

ADDITIONAL 2014-2015 SUPPLEMENTAL APPROPRIATIONS

SECTION 62. Other 2014-2015 Supplemental Appropriations. The provisions of this section shall take effect upon becoming a law, the public welfare requiring it. There is hereby appropriated the following amounts, which shall be in addition to the appropriations provided under Chapter 919, Public Acts of 2014, and in Section 38 of this act.

Item 1. To the House of Representatives, the amount in Section 38 of this act is hereby reduced in the amount of \$103,800 to reflect the actual costs of the 2015 Extraordinary Session.

Item 2. To the State Senate, the amount in Section 38 of this act is hereby reduced in the amount of \$64,900 to reflect the actual costs of the 2015 Extraordinary Session.

Item 3. To the Administrative Office of the Courts, the amount of \$145,000 for Appellate Elections and Judicial Evaluation Commission lawsuits.

Item 4. To the Department of Human Resources, the amount of \$75,000 for outside legal counsel.

Item 5. To the Department of Mental Health and Substance Abuse Services, the amount of \$1,100,000 for regional mental health institutes.

Item 6. To the Department of Human Services, the amount of \$400,000 to correct an error closing fiscal year 2013-2014 in the Tennessee Business Enterprise Program.

CAPITAL OUTLAY – ADDITIONAL PROVISIONS

SECTION 63. Capital Outlay Additional Provisions. The following provisions are in addition to other provisions of this act concerning the capital outlay budget and the facilities revolving fund capital outlay budget.

Item 1. The provisions of this item shall take effect upon becoming law, the public welfare requiring it. There is hereby appropriated the following amounts, which shall be in addition to the appropriations provided in Public Acts of 2014, Chapter 919, and in Section 38 of this act.

(a) Department of Agriculture – Forestry Work Center, in the amount of \$930,000 from division of forestry reserves.

(b) Department of Environment and Conservation – Panther Creek State Park Campground Drainage and Paving Repairs, in the amount of \$250,000.

(c) Department of Veterans Affairs – East Tennessee Veterans Cemetery Essential Maintenance, in the amount of \$2,085,700 from federal aid funds.

Item 2. In addition to the Facilities Revolving Fund capital outlay projects listed on page A-156 of the 2015-2016 Budget Document and in Section 1, Title III-29, and Section 4, Title III-27 of this act, the following amounts hereby are funded.

(a) Department of General Services – New State Museum, in the amount of \$120,000,000. This appropriation is in addition to the amounts recommended on page A-156 of the 2015-2016 Budget Document for New State Museum Phase I.

(b) Department of General Services – Agriculture Metrology Laboratory Construction, in the amount of \$1,400,000.

Item 3. Of the Facilities Revolving Fund capital maintenance projects listed on page A-156 of the 2015-2016 Budget Document and in Section 4, Title III-27 of this act, the following hereby are reduced.

(a) Department of General Services – Cordell Hull Building Renovation Phase 1, in the amount of \$14,000,000.

(b) Department of General Services – Empower TN Infrastructure, in the amount of \$4,140,000.

(c) Department of General Services – Empower TN Utility Data Collection and Software, in the amount of \$2,070,000.

Item 4. In addition to the Facilities Revolving Fund capital maintenance projects listed on page A-156 of the 2015-2016 Budget Document and in Section 1, Title III-29, and Section 4, Title III-27 of this act, the following amounts hereby are funded.

(a) Department of General Services – Cordell Hull Building Renovation, in the amount of \$40,030,000. This appropriation is in addition to the amounts recommended on page A-156 of the 2015-2016 Budget Document for Cordell Hull Building Renovation Phase 1.

(b) Department of General Services – R.S. Gass State Laboratory Interior Renovations, in the amount of \$3,550,000 from the reserves of the state office buildings and support facilities revolving fund.

(c) Department of General Services – Ellington Agriculture Center Moss Building Roof Repairs, in the amount of \$470,000 from the reserves of the state office buildings and support facilities revolving fund.

Item 5. Of the capital outlay projects listed on pages A-138 through A-141 of the 2015-2016 Budget Document and in Section 1, Title III-32 of this act, the following hereby are reduced.

(a) University of Tennessee, UT Institute of Agriculture West TN 4-H Center Land Acquisition, in the amount of \$10,000 bond proceeds.

Item 6. In addition to the capital outlay projects listed on pages A-138 through A-141 of the 2015-2016 Budget Document and in Section 1, Title III-32 of this act, the following hereby are funded.

(a) Department of Agriculture – Grant to Sullivan County – Purchase and Development of a Multipurpose Agricultural Facility, in the amount of \$2,200,000.

Said funds herein appropriated to the Department of Agriculture shall be expended for the purpose of making a grant to the County

Government of the County of Sullivan for the project and expended for the purpose of acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development including but not limited to sewer, water, utility infrastructure, and rail infrastructure, whether or not such infrastructure is owned by the County Government of the County of Sullivan.

Such grant shall be made by the Department of Finance and Administration only if such grant is approved by the State Building Commission. Such grant so identified and approved is determined to be for a public purpose for the reasons and findings previously set forth.

(b) Department of Economic and Community Development – Grant for a Manufacturing Facility, in the amount of \$40,000,000.

Said funds herein appropriated to the Department of Economic and Community Development shall be expended for the purpose of making grants to certain industrial development corporations for the project and expended for the purpose of acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development including but not limited to sewer, water, utility infrastructure, and rail infrastructure, whether or not such infrastructure is owned by the industrial development corporations.

Such grants shall be made by the Department of Finance and Administration only if such grants are approved by the State Building Commission. Such grants so identified and approved are determined to be for a public purpose for the reasons and findings previously set forth.

(c) Department of Economic and Community Development – Grant – CVMR (USA) Inc. project, in the amount of \$12,000,000.

Said funds herein appropriated to the Department of Economic and Community Development shall be expended for the purpose of making grants to the Industrial Development Board of the City of Oak Ridge for the project and expended for the purpose of acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development including but not limited to sewer, water, utility infrastructure, and rail infrastructure, whether or not such infrastructure is owned by the industrial development corporations.

Such grants shall be made by the Department of Finance and Administration only if such grants are approved by the State Building Commission. Such grants so identified and approved are determined to be for a public purpose for the reasons and findings previously set forth.

(d) Department of Environment and Conservation – David Crockett State Park Campground Improvements, in the amount of \$970,000.

(e) Department of Finance and Administration – State Architect Building Information Modeling Contract, in the amount of \$150,000.

(f) Department of General Services – Empower TN Infrastructure, in the amount of \$4,140,000 from reserves.

(g) Department of General Services – Empower TN Utility Data Collection and Software, in the amount of \$2,070,000 from reserves.

(h) Tennessee Historical Commission – Battle of Franklin Building Demolition, in the amount of \$500,000.

(i) Tennessee Board of Regents, Tennessee Colleges of Applied Technology – Equipment Purchases, in the amount of \$5,000,000.

Said appropriation in this sub-item shall be presented for approval to the State Building Commission only after the Chancellor of the Tennessee Board of Regents provides a listing of the proposed equipment purchases for said colleges of applied technology for approval by the Governor.

(j) University of Tennessee, UT Space Institute – Tennessee Aerothermodynamics Laboratory, in the amount of \$1,000,000.

(k) University of Tennessee, UT Institute of Agriculture West TN 4-H Center Land Acquisition, in the amount of \$10,000.

Item 7. Of the capital maintenance projects listed on pages A-138 through A-141 of the 2015-2016 Budget Document and in Section 1, Title III-32 of this act, the following hereby are reduced.

(a) Department of Environment and Conservation – David Crockett State Park Campground Improvements, in the amount of \$970,000.

(b) Department of Veterans Affairs – East Tennessee Veterans Cemetery Essential Maintenance, in the amount of \$2,940,000 from federal aid funds.

Item 8. Of the capital maintenance projects listed on pages A-138 through A-141 of the 2015-2016 Budget Document and Section 1, Title III-32 of this act, the following hereby are funded.

(a) Department of Environment and Conservation – ADA Upgrades, in the amount of \$2,850,000.

(b) Department of Environment and Conservation – Swimming Pool Maintenance, in the amount of \$280,000.

(c) Department of Environment and Conservation – Civilian Conservation Corps Cabins Renovations, in the amount of \$5,900,000.

(d) Department of Environment and Conservation – Montgomery Bell State Park Golf Course Maintenance, in the amount of \$240,000.

(e) Department of General Services – Empower TN Implementation, in the amount of \$4,000,000. This appropriation is in addition to the amounts recommended on page A-140 of the 2015-2016 Budget Document for Empower TN Implementation.

(f) Military Department – Statewide Fire Alarm Improvements, in the amount of \$100,000.

(g) Military Department – Millington Readiness Center HVAC and Energy Updates, in the amount of \$277,500.

(h) Military Department – Clinton Readiness Center Roof and Facility Update, in the amount of \$520,000.

(i) Military Department – Columbia Readiness Center HVAC and Energy Updates, in the amount of \$710,000.

(j) Military Department – Alamo Readiness Center HVAC and Energy Updates, in the amount of \$675,000.

(k) Tennessee Board of Regents, Volunteer State Community College – Wood Building Restroom Renovations, in the amount of \$180,000.

(l) Tennessee Board of Regents, Tennessee Colleges of Applied Technology – Parking and Paving Repairs, in the amount of \$610,000.

(m) Tennessee Board of Regents, East Tennessee State University – Various Roof Replacements, in the amount of \$2,000,000.

(n) Tennessee Board of Regents, Roane State Community College – Oak Ridge Campus Roof Replacement Phase II, in the amount of \$370,000. This appropriation is in addition to the amounts recommended on page A-140 of the 2015-2016 Budget Document for RSCC Oak Ridge Campus Roof Replacement.

(o) University of Tennessee, UT Space Institute – Building Improvements, in the amount of \$2,000,000.

(p) University of Tennessee, UT Martin – Electrical Distribution Upgrades, in the amount of \$1,520,000.

PROGRAM ADJUSTMENTS FROM DEPARTMENTAL REVENUE

SECTION 64. Program Adjustments Funded by Departmental Revenue. The appropriations of departmental revenue in Section 4 to the following programs shall be adjusted for the stated purposes:

Item 1. To the Advisory Commission on Intergovernmental Relations, an amount of \$13,000 from departmental revenues (Cities and Counties) is hereby appropriated to correct the revenue estimate that was understated in the 2015-2016 Budget Document, page B-45.

Item 2. To the Advisory Commission on Intergovernmental Relations, an amount of \$13,000 from departmental revenues (Interdepartmental) is hereby reduced to correct the revenue estimate that was overstated in the 2015-2016 Budget Document, page B-45.

SECTION 1 – STATE APPROPRIATIONS

AND FURTHER AMEND in Section 1 by deleting Section 1, Title III-32 in its entirety and inserting instead the following:

32. Capital Outlay

There is hereby appropriated to each of the departments and agencies enumerated herein, funds for major maintenance, equipment, construction, and acquisition of land, and for expansion, improvement, betterments, and repairs to existing structures. The Commissioner of Finance and Administration is hereby authorized to transfer the amounts herein appropriated to the Capital Projects Fund for the use of the said departments and agencies.

1. Department of Children's Services	\$ 6,710,000.00
2. Department of Environment and Conservation	7,060,000.00
3. Department of General Services	9,200,000.00
4. Historical Commission	240,000.00
5. Department of Intellectual and Developmental Disabilities	3,550,000.00
6. Department of Mental Health and Substance Abuse Services	850,000.00

7. Department of Veterans Affairs	455,000.00
8. Tennessee Board of Regents.....	20,650,000.00
9. University of Tennessee.....	6,090,000.00
Total Title III-32	\$ 54,805,000.00

Said funds herein appropriated shall be used solely for improvements, betterments, and additions to state structures and for the acquisition of additional land and space, including the purchase of existing structures and grants, as described or referred to above and as approved by the State Building Commission; provided, further, that such funds as are appropriated herein shall be utilized to finance only those projects, improvements, betterments, or additions which are presented in the State of Tennessee's 2015-2016 Budget Document, as amended by any changes or additional projects contained in the Appropriations Act as passed on third and final consideration; provided, further, that all funds appropriated in this act or other general acts of this session for capital outlay shall be subject to the provisions of Tennessee Code Annotated, Title 4, Chapter 15, Part 1, and further expressly providing for the making of grants to governmental entities and/or to certain not-for-profit organizations listed herein, and for the purposes identified on pages A-138 to A-141 and A-145 to A-151 of the 2015-2016 Budget Document or otherwise identified in this act, and such grants so identified and approved are determined to be for a public purpose: (a) Tennessee Performing Arts Center Management Corporation, located in Davidson County; and (b) Lorraine Civil Rights Museum Foundation, located in Shelby County.

SECTION 9 – SUM SUFFICIENT FROM DEPARTMENTAL REVENUES

AND FURTHER AMEND in Section 9, Item 22, by deleting the item in its entirety and substituting instead the following:

Item 22. To the Department of Environment and Conservation, Office of Energy Programs, from the revenues and reserves of the Petroleum Violation Escrow Funds.

AND FURTHER AMEND in Section 9, Item 34, by deleting the item in its entirety and substituting instead the following:

Item 34. To the Department of Military, Station Commander's Upkeep and Maintenance Fund and Armories Maintenance, from the station commander's upkeep and maintenance fund created pursuant to Tennessee Code Annotated, Section 58-1-512, to be used for purposes specified therein. The provisions of this item shall be effective immediately, the public welfare requiring it.

SECTION 16 – CONSOLIDATED RETIREMENT SYSTEM

AND FURTHER AMEND in Section 16 by inserting the following new item 2:

Item 2. From the funds appropriated in this act for the purpose of funding the state's liability for employee participation in the state retirement system, the Commissioner of Finance and Administration is authorized to adjust departmental allotments to reflect active participation in the various programs of the retirement system, to reallocate appropriations between departments and reduce appropriations, and to adjust federal aid and other departmental revenue accordingly.

**HIGHER EDUCATION DISCLOSED CAPITAL OUTLAY
FROM SCHOOL BONDS AND INSTITUTIONAL SOURCES**

AND FURTHER AMEND in Section 29, Item 26 of the printed bill by inserting the following after the second paragraph of the item:

**State University and Community College System
(Tennessee Board of Regents):**

Austin Peay State University:

Sevier Hall HVAC Replacement	\$	2,410,000
Student Health and Counseling Center Renovations	750,000	
Kimbrough Trading Center Renovations	560,000	
Total APSU	\$	3,720,000

East Tennessee State University:

Pediatrics Renovation	250,000
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Middle Tennessee State University:

Bus Maintenance Facility	\$	1,800,000
Chiller Replacement	650,000	
College Heights Renovation	850,000	
Corlew and Cummings Elevator Replacement	780,000	
Facilities Storage Sheds	280,000	
Floyd Stadium Visitors Training Area	530,000	
Natatorium Upgrades	680,000	
Womack Lane Housing Plumbing Upgrades	1,500,000	
Total MTSU	\$	7,070,000

Tennessee State University:

Agriculture Facilities Upgrades	\$	2,500,000
Food Services Facilities Improvements	2,000,000	

Total TSU	\$ 4,500,000
Tennessee Technological University:	
Athletics Facilities Improvements	\$ 32,000,000
Athletics Maintenance and Storage Facility	370,000
Capital Quad Steam Line Replacement	1,890,000
Derryberry Hall Upgrades	7,890,000
Hyder-Burks Equestrian Facility	1,000,000
International House	730,000
Residence Hall Upgrades	12,500,000
Total TTU	\$ 56,380,000
University of Memphis:	
Energy Conservation	\$ 15,000,000
Lambuth Academic Area Upgrades	1,500,000
Soccer Field Improvements	3,000,000
Surface Parking Expansion	2,000,000
Wilder Upper Floor Completion	500,000
Total UoM	\$ 22,000,000
Nashville State Community College:	
Clarksville Campus Renovations	\$ 6,690,000
Main Campus Improvements	500,000
New Academic Building Parking	370,000
Southeast Center Second Floor Renovations	8,200,000
Total NASCC	\$ 15,760,000
Northeast State Community College	
Regional Center for Advanced Manufacturing	3,300,000
Pellissippi State Community College:	
Hardin Valley Space Utilization Renovations	\$ 320,000
Magnolia Office Renovations	90,000
Outdoor Classroom/Stage Replacement	210,000
Total PSCC	\$ 620,000
Roane State Community College:	
Baseball and Softball Complex Improvements	\$ 590,000
Campus Paving	460,000
Maintenance Equipment Building	110,000
Total RSCC	\$ 1,160,000
Total Tennessee Board of Regents	\$ 114,760,000

University of Tennessee:

UT Knoxville:

Lake Avenue Garage	\$	22,300,000
Neyland Stadium Improvements		2,000,000
Total UTK	\$	<u>24,300,000</u>

UT Chattanooga:

Arena Video Improvements	\$	1,246,000
Founders Hall Window Replacement		159,000
Total UT Chattanooga	\$	<u>1,405,000</u>

UT Health Science Center:

Audiology and Speech Pathology Building	65,060,000
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Total University of Tennessee	\$	<u>90,765,000</u>
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Grand Total	\$	<u>205,525,000</u>
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SECTION 35 – TRANSFERS OF APPROPRIATIONS IN FY 2015-2016

AND FURTHER AMEND in Section 35 by inserting the following new item:

Item 25. To the administration and support services programs in Section 1, Title III-10, Item 1, which are administered by the Tennessee Higher Education Commission or the Tennessee Student Assistance Corporation, to implement administrative reorganizations upon recommendation of the Executive Director of the Tennessee Higher Education Commission.

SECTION 38 – SUPPLEMENTAL APPROPRIATIONS – 2014-2015

AND FURTHER AMEND in Section 38, Item 2.1 by deleting the symbol "\$" from the item.

AND FURTHER AMEND in Section 38, Item 7.4 by deleting the number "600,000" and inserting instead "300,000".

AND FURTHER AMEND in Section 38 by deleting item 8.2 in its entirety.

AND FURTHER AMEND in Section 38 by deleting the language:

“Total Miscellaneous Appropriations.....\$1,400,000”

in its entirety.

**SECTION 39 – PROGRAM EXPANSIONS
FROM FEDERAL AND OTHER DEPARTMENTAL REVENUE**

AND FURTHER AMEND by deleting Section 39 in its entirety and inserting the following as a new Section 39:

SECTION 39. Program Expansions from Federal and Other Departmental Revenue. The provisions of this section shall take effect upon becoming law, the public welfare requiring it. At June 30, 2015, any unexpended balances of departmental revenues and federal aid funds appropriated in this section are hereby reappropriated in the fiscal year beginning July 1, 2015.

There is hereby appropriated from departmental revenues and federal aid funds the amounts hereinafter set out:

	<u>2014-2015</u>	<u>2015-2016</u>
Treasury Department		
1. Treasury Department	\$ 556,000	\$ 556,000
Commissions		
1. Alcoholic Beverage Commission	\$ 0	\$ 134,300
2. Tennessee Regulatory Authority	230,000	230,000
Sub-Total Commissions	<u>\$ 230,000</u>	<u>\$ 364,300</u>
Finance and Administration		
1. Volunteer Tennessee	0	874,900
TennCare		
1. TennCare Administration	5,429,400	16,960,300
Environment and Conservation		
1. West Tennessee River Basin Authority	\$ 75,000	\$ 1,276,000
2. Clean Water and Drinking Water State Revolving Fund	12,000,000	12,000,000
Sub-Total Environment and Conservation	<u>\$12,075,000</u>	<u>\$ 13,276,000</u>
Education		
1. Early Childhood Education	559,100	17,454,400
Health		
1. Executive Administration	\$ 45,300	\$ 181,100
2. Laboratory Services	54,600	124,900
3. Maternal and Child Health	12,800	51,000

4. Communicable and Environmental Disease Services	448,800	1,773,200
5. Local Health Services	35,300	70,400
Sub-Total Health	<u>\$ 596,800</u>	<u>\$ 2,200,600</u>
Human Services		
1. Vocational Rehabilitation	6,475,000	6,475,000
Tennessee Bureau of Investigation		
1. Tennessee Bureau of Investigation	<u>0</u>	<u>242,600</u>
Total	<u>\$25,921,300</u>	<u>\$58,404,100</u>

The Commissioner of Finance and Administration is authorized to establish forty-four (44) full-time and to allocate them to the appropriate organizational units, including nine (9) positions in the Treasury Department, two (2) in the Alcoholic Beverage Commission, four (4) in Bureau of TennCare, one (1) in the Department of Environment and Conservation, five (5) in the Department of Education, twenty (20) in the Department of Health, and three (3) in the Tennessee Bureau of Investigation.

SECTION 41 – PROVISIONS CONCERNING CERTAIN APPROPRIATIONS

AND FURTHER AMEND in Section 41, Item 4 by deleting the language “Title III-5, Item 8” and substituting instead the language “Title III-5, Item 9”.

AND FURTHER AMEND in Section 41 by inserting the following new item to the end of the section:

Item __. The Commissioner of Finance and Administration is authorized to transfer an amount not to exceed \$2,000,000 from the Mental Health Trust Fund, pursuant to Tennessee Code Annotated, Section 12-2-117, for the sole purpose of transition costs at Regional Mental Health Institutes.

SECTION 43 – OVER-APPROPRIATION – ESTIMATED REVERSION TO GENERAL FUND

AND FURTHER AMEND in Section 43 by deleting Item 1(a) in its entirety and substituting instead the following:

(a) In fiscal year 2014-2015 to recognize an over-appropriation of \$176,414,900, including a base recurring over-appropriation of \$85,000,000 and a non-recurring over-appropriation of \$91,414,900.

SECTION 47 – REVENUE FLUCTUATION RESERVE AND OTHER GENERAL FUND RESERVES

AND FURTHER AMEND in Section 47, Item 2 by deleting the language “\$528,000,000” and inserting instead “\$564,500,000”.

AND FURTHER AMEND in Section 47 by inserting the following new item 5:

Item 5. At June 30, 2015, the Commissioner of Finance and Administration is hereby authorized to transfer from the TennCare Reserve to the general fund the amount of \$18,173,000 to restore on a non-recurring basis a provider rate reduction of one percent.

AND FURTHER AMEND in Section 47 by inserting the following new item 6:

Item 6. At June 30, 2015, the Commissioner of Finance and Administration is hereby authorized to transfer from the internal service fund Central Procurement Office Reserve to the general fund the amount of \$7,000,000.

AND FURTHER AMEND in Section 47 by inserting the following new item 7:

Item 7. At June 30, 2015, the Commissioner of Finance and Administration is hereby authorized to transfer from the reserve for unencumbered balances for Miscellaneous Appropriations Severance Costs to the general fund the amount of \$3,800,000.

SECTION 49 – SALARY POLICY FOR STATE AND HIGHER EDUCATION EMPLOYEES

AND FURTHER AMEND in Section 49, Item 2(a) by deleting the language “3.0 percent” and substituting instead “2.0 percent”.

AND FURTHER AMEND in Section 49, Item 5(a) by deleting the language “3.0 percent” and substituting instead “2.0 percent”.

AND FURTHER AMEND in Section 49, Item 5(b) by deleting the language “3.0 percent” and substituting instead “2.0 percent”.

SECTION 50 – LOTTERY FOR EDUCATION ACCOUNT

AND FURTHER AMEND in Section 50, Item 2(g), by deleting the item in its entirety and substituting instead the following:

(g) The 2015-2016 award amount for an eligible student under the Reconnect for Community Colleges grant shall be determined pursuant to the provisions of Senate Bill No. 0605 / House Bill No. 0646 if such bill becomes a law, the public welfare requiring it.

SECTION 55 – HOSPITAL COVERAGE ASSESSMENT

AND FURTHER AMEND in Section 55, Item 1(a)(ii) by deleting the language:

18..... Therapies
4,851,3000

and substituting instead the following:

18..... Therapies
4,851,300

**HOUSEKEEPING –
TYPOGRAPHICAL, NAME, DATE, AND CITATION CORRECTIONS**

AND FURTHER AMEND in Section 2, Item 21 by deleting the language “Senate Bill No. ____ / House Bill No. ____” and inserting “Senate Bill No. 1401 / House Bill No. 1376”;

AND FURTHER AMEND in Section 6, Item 2(b) by deleting the language “June 30, 2015” and inserting instead “June 30, 2016”.

AND FURTHER AMEND in Section 46, Item 2 by deleting the language “June 30, 2015” and inserting instead “June 30, 2016”.

AND FURTHER AMEND in Section 55, Item 1 by deleting the language “(a) If,” and inserting “(a) If”.

AND FURTHER AMEND in Section 55, Item 2 by deleting the language “Senate Bill No. ____ / House Bill No. ____” and inserting “Senate Bill No. 0574 / House Bill No. 0515”;

AND FURTHER AMEND by requesting the Engrossing Clerk to:

- (1) Delete the bold underlined explanatory headings in this amendment;
and
- (2) Exclude this paragraph from the engrossed bill.

Rep. Alexander moved adoption of Amendment No. 1 to House Amendment No. 2 as follows:

Amendment No. 1 to Amendment No. 2

AMEND House Bill No. 1374 by deleting Item 2(a) in Section 63 and substituting instead the following:

(a) Department of General Services – New State Museum, in the amount of \$60,000,000. This appropriation is in addition to the amounts recommended on page A-156 of the 2015-2016 Budget Document for New State Museum Phase I.

AND FURTHER AMEND by deleting the following:

AND FURTHER AMEND in Section 47, Item 2 by deleting the language “\$528,000,000” and inserting instead “\$564,500,000”.

and substituting instead:

AND FURTHER AMEND in Section 47, Item 2 by deleting the language “\$528,000,000” and inserting instead “\$594,500,000”.

AND FURTHER AMEND by adding the following new item at the end of Section 12:

Item _____. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$30,000,000 (non-recurring) to the highway fund to be used by the Department of Transportation for project planning, construction, and maintenance.

Rep. Sargent moved that Amendment No. 1 to House Amendment No. 2 be tabled, which motion prevailed by the following vote:

Ayes	60
Noes.....	29

Representatives voting aye were: Beck, Brooks H., Brooks K., Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, DeBerry, Doss, Dunlap, Dunn, Eldridge, Farmer, Forgety, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Jernigan, Johnson, Jones, Keisling, Kumar, Lamberth, Love, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Miller, Moody, Pitts, Powell, Ragan, Ramsey, Sargent, Shaw, Shepard, Smith, Sparks, Swann, Todd, Towns, Travis, Van Huss, Weaver, White D., White M., Williams, Windle, Madam Speaker Harwell -- 60

Representatives voting no were: Alexander, Armstrong, Butt, Byrd, Daniel, Durham, Goins, Gravitt, Hardaway, Holt, Howell, Hulsey, Kane, Littleton, Lollar, Mitchell, Pody, Reedy, Rogers, Sanderson, Sexton C., Sexton J., Spivey, Stewart, Terry, Turner, Wilburn, Wirgau, Womick -- 29

On motion, Finance, Ways & Means Committee Amendment No. 2 was adopted.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 3 as follows:

Amendment No. 3

AMEND House Bill No. 1374

LEGISLATIVE AMENDMENT

1267

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LEGISLATIVE ADJUSTMENTS

by deleting Item 8(e) in Section 63 and redesignating the remaining sub-items accordingly.

AND FURTHER AMEND by deleting line item 3 in Section 58, Item 1.

AND FURTHER AMEND by deleting line item 4 in Section 58, Item 1.

AND FURTHER AMEND by deleting line item 8 in Section 58, Item 1.

AND FURTHER AMEND by deleting the amount "61,299,500" in Section 58, Item 1 and substituting instead the amount "60,829,500".

AND FURTHER AMEND by deleting the amount "62,453,700" in Section 58, Item 1 and substituting instead the amount "61,130,700".

AND FURTHER AMEND by deleting Item 4 in Section 62 and renumbering the remaining items accordingly.

AND FURTHER AMEND by adding the following new sections immediately following Section 64 and renumbering the subsequent sections accordingly:

DEDICATED SOURCE & EARMARKS & REDUCTIONS

SECTION 65.

Item 1. From the funds appropriated or available to any department, commission, board, agency, or other entity of state government, there is earmarked or appropriated, as applicable, a sum sufficient to fund any bill or resolution, that becomes law or is adopted, respectively, having an estimated first year's cost of \$50,000 or less,

which is attributable to a specific entity or from a specific fund, and is not otherwise funded in this act.

Item 2. From the funds appropriated to the Department of Commerce and Insurance, Board for Licensing Contractors, for the Go Build Account (GBA), there is earmarked a sum sufficient for the sole purpose of implementing Senate Bill 127 / House Bill 24, relative to the Go Build Tennessee Act (GBTA), if such bill becomes a law.

Item 3. From the improvement funds appropriated to the Department of Tourist Development, there is earmarked the sum of \$75,000 (non-recurring) to be used for the purpose of programs related to the reconstruction era in Tennessee for the Tennessee Civil War Sesquicentennial Commission.

Item 4. From the funds appropriated to the Department of Environment and Conservation, State Lands Acquisition Fund, the Commissioner of Environment and Conservation is authorized to make a grant not to exceed \$2,520,000 to the Tennessee Parks and Greenways Foundation (TennGreen) for the purpose of purchasing the second Chickasaw Bluff historic site in West Tennessee. It is the legislative intent that the site be developed for future use as the Grand Mississippi River State Park.

Item 5.

(a) No funds appropriated by the provisions of this act to the Department of Education for distribution to any LEA based on the Basic Education Program (BEP) funding formula shall be used to pay the LEA's attorney's fees, court costs, or other expenses attributable to any lawsuit against the state in which the LEA is named as a plaintiff. All such funds shall be expended in accordance with Tennessee Code Annotated, Title 49, Chapter 3, Part 3.

(b) The appropriations made by the provisions of this act to any LEA based on the Basic Education Program (BEP) funding formula are hereby reduced by a sum sufficient for the sole purpose of recovering the total amount of attorney's fees, court costs, and other expenses attributable to defending the state in any lawsuit in which the LEA is named as a plaintiff and the state is the prevailing party, in accordance with Senate Bill 1401 / House Bill 1376, relative to authorization to withhold state-shared taxes from local government units, if such bill becomes a law. If the cited bill does not become a law, this sub-item (b) shall be null and void.

(c) No funds appropriated by the provisions of this act to any state agency for distribution to cities and counties under any state program other than the BEP shall be used to pay attorney's fees, court costs, or other expenses attributable to any lawsuit against the state in which the city or county is named as a plaintiff. All such funds shall be expended in accordance with Senate Bill 1401 / House Bill 1376, relative to prohibiting the allocation of state funds for such purposes, if such bill becomes a law. If the cited bill does not become a law, this sub-item (c) shall be null and void.

(d) The appropriations made by the provisions of this act to a city or county from the general fund share of state-shared taxes are hereby reduced by a sum sufficient for the sole purpose of recovering the total amount of attorney's fees, court costs, and other expenses attributable to defending the state in any lawsuit in which the city or county is named as a plaintiff and the state is the prevailing party, in accordance with Senate Bill 1401 / House Bill 1376, relative to authorization to withhold state-shared taxes from local government units, if such bill becomes a law. If the cited bill does not become a law, this sub-item (d) shall be null and void.

Item 6. The appropriation made to the Department of Correction by the provisions of this act is reduced by the sum of \$1,605,800 (recurring). Such funding reduction is for the purpose of offsetting the healthcare cost savings resulting from implementation of Public Chapter 926 of 2014.

Item 7. The funds reappropriated in Public Chapter 919 of 2014, Section 41, Item 8, to the Department of Safety to conduct a study concerning the forecasted growth, movement, and heavy volume of freight on all transportation modes in this state, are hereby reduced. Such reduction is for the purpose of eliminating the funds.

Item 8.

From the unexpended appropriations made under the provisions of Chapter 453, Public Acts of 2013; Chapter 919, Public Acts of 2014; this act; or other appropriations acts, for the following projects, there is hereby redirected and appropriated a sum sufficient that shall be available and may be used for the purpose of SBC Project No. 529/005-01-2005:

(a) James K. Polk Building HVAC and Energy Management System Upgrades, identified on Page A-183 of the 2013-2014 Budget Document, and as SBC Project No. 529/075-01-2013; and

(b) War Memorial Building Exterior Renovations, identified on Page A-183 of the 2013-2014 Budget Document, and as SBC Project No. 529/090-02-2013.

Any funds from the appropriation made in this item that are redirected but are not required for SBC Project No. 529/005-01-2005 may be further redirected for the purposes of the original appropriations. This item shall take effect upon becoming law, the public welfare requiring it.

Item 9. It is the legislative intent that in fiscal year 2016-2017 and subsequent fiscal years, from funds available to the Board of Regents for the University of Memphis, there be earmarked the sum of \$4,300,000 for the sole purpose of implementing Senate Bill 333 / House Bill 676, relative to authorizing non-residents of Tennessee who attend the University of Memphis to receive in-state tuition, if such bill becomes a law.

Item 10. The appropriation in Section 1, Title III-30, Item 1, Headquarters, is hereby reduced in the amount of \$4,577,100. This item is subject to Senate Bill 982 / House Bill 1147, relative to the sales tax on aviation fuel, becoming a law, the public welfare requiring it.

LEGISLATIVE INITIATIVES

SECTION 66.

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Item 1. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient to implement all bills and resolutions having an estimated first year's cost of \$50,000 or less, which become law and are adopted, respectively. It is the legislative intent that if such bills and resolutions are otherwise funded by the provisions of this act, then the funds appropriated in this item shall be reduced accordingly.

Item 2. In addition to any other funds appropriated by the provisions of this act, there is appropriated to the Tennessee Bureau of Investigation, the sum of \$668,500 (of which \$212,300 shall be non-recurring) for the sole purpose of implementing Senate Bill 16 / House Bill 275, relative to the training of law enforcement officers in dealing with human trafficking, if such bill becomes a law.

Item 3. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,136,500 for the sole purpose of implementing Senate Bill 17 / House Bill 115, relative to enrollment in DIDD waiver of persons with intellectual disabilities on a waiting list, if such bill becomes a law.

Item 4. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$117,000 (which shall be allocated for incarceration costs) for the sole purpose of implementing Senate Bill 30 / House Bill 45, relative to release eligibility for persons convicted of aggravated vehicular homicide, if such bill becomes a law.

Item 5. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,500,000 (of which \$750,000 shall be non-recurring) for the sole purpose of implementing Senate Bill 453 / House Bill 946, relative to requiring the Tennessee Science, Technology, Engineering, and Mathematics (STEM) Innovation Network (TSIN) to establish an innovation hub, if such bill becomes a law.

Item 6. In addition to any other funds appropriated by the provisions of this act, there is appropriated a sum sufficient not to exceed \$100,000 for the sole purpose of implementing Senate Bill 651 / House Bill 556, relative to authorizing an electronic driver license system, if such bill becomes a law.

Item 7. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$340,300 for the sole purpose of implementing Senate Bill 44 / House Bill 33, relative to newborn testing, if such bill becomes a law.

Item 8. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$300,900 (non-recurring) for the sole purpose of implementing Senate Bill 27 / House Bill 138, relative to enacting the "Individualized Education Act," if such bill becomes a law.

Item 9. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$30,000 (recurring) to Tennessee

Emergency Management Agency (TEMA) for the sole purpose of providing statewide rescue squad training.

Item 10. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$63,000 (recurring) to the Commission on Children and Youth for the sole purpose of providing \$30,000 for the general administration of court appointed special advocates (CASA) program on a statewide basis and \$16,500 to each of two (2) counties that have CASA programs that are currently operating in the county but do not currently receive state funds to support the program in the county.

Item 11. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$510,400 (recurring) to the Department of Mental Health and Substance Abuse Services for the sole purpose of restoring a reduction in funds for private inpatient uninsured services.

Item 12. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$250,000 (non-recurring) to the Department of Human Services for the sole purpose of making a grant in such amount to the Second Harvest Food Bank of Middle Tennessee, to be used for the purpose of purchasing, handling, and transporting food for hunger relief. The Second Harvest Food Bank of Middle Tennessee shall distribute the funds to the five (5) food banks across the state, as follows:

35% to Second Harvest Food Bank of Middle Tennessee;

25% to Memphis Food Bank;

20% to Second Harvest Food Bank of East Tennessee;

10% to Chattanooga Area Food Bank;

10% to Second Harvest Food Bank of Northwest Tennessee.

Item 13. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,000,000 (non-recurring) to the Department of General Services for the sole purpose of making grants in the amount of \$200,000 each to the four (4) accredited Tennessee zoos and the Tennessee Aquarium, to be used for capital improvement projects.

Item 14. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$250,000 (non-recurring) to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the City of Oak Ridge, to be used for completion of improvements at the Oak Ridge rowing facility.

Item 15. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$2,600,000 (non-recurring) to the

Department of Finance and Administration for the sole purpose of making a grant in such amount to the University of Memphis, to be used over a three-year period for funding two (2) faculty/research positions for the FDA-certified TriMetis GLP medical research laboratory at the UT-Baptist Research Park in the Memphis Medical Center.

Item 16. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,000 (recurring) to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the Stax Museum of American Soul Music, to be used for defrayal of operational costs.

Item 17. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$50,000 (non-recurring) to the Tennessee Historical Commission for the purpose of repair or replacement, including fabrication and installation costs, of twenty-five (25) or more historical markers. It is the legislative intent that markers be repaired or replaced in the order in which the commission was notified of the need to repair or replace a marker.

Item 18. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$500,000 (non-recurring) to the Tennessee Bureau of Investigation for the sole purpose of methamphetamine clean-up.

Item 19. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$24,000 (non-recurring) to the Department of Environment and Conservation for the sole purpose of sign maintenance including the removal or replacement of antiquated signs.

Item 20. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$102,600 (non-recurring) to the Department of Health for the sole purpose of making grants as follows:

Epilepsy Foundation of Middle & West Tennessee	\$ 63,000
Epilepsy Foundation of Southeast Tennessee	11,300
Epilepsy Foundation of East Tennessee	28,300

Such grants shall be used for education, child safety and prevention initiatives, and services to those with epilepsy.

Item 21. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$154,400 (non-recurring) to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the Andrew Jackson Foundation, to be used for restoration of the windows at the Hermitage Mansion.

Item 22. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$9,300 (non-recurring) to the

Tennessee Historical Commission for the sole purpose of making a grant in such amount to the Historic Sam Davis Home and Plantation, to be used for roofing repairs.

Item 23. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$450,000 (recurring) to the Department of Economic and Community Development for the sole purpose of community development/planning and economic infrastructure. It is the legislative intent that each of the nine (9) development districts receive \$50,000.

Item 24. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$100,054 (recurring) to the District Public Defenders Conference for the sole purpose of funding one (1) existing assistant public defender position for the 16th Judicial District.

Item 25. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$250,000 to the Tennessee Historical Commission from the Tennessee Civil War or War Between the States site preservation fund for the purposes provided in Tennessee Code Annotated, Section 67-4-409. The appropriation in this item is subject to Senate Bill 1401 / House Bill 1376 becoming a law, the public welfare requiring it.

Item 26. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$1,500,000 (non-recurring) to the Department of Health for the sole purpose of increasing the capacity of community health centers in Tennessee to provide medical care to uninsured adults.

Item 27. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$2,000,000 (non-recurring) to the Tennessee Film, Entertainment and Music Commission for the sole purpose of making a grant in such amount to the Memphis and Shelby County Film and Television Commission, to be used for programs and incentives.

LANGUAGE AMENDMENTS

SECTION 67. The base appropriation made to the Department of Economic and Community Development by the provisions of this act for the purpose of the Mississippi River Corridor Tennessee shall be paid to the Mississippi River Corridor Tennessee as a direct appropriation grant.

AND FURTHER AMEND by deleting Item 5 in SECTION 12 and by substituting instead:

Item 5. From funds available to any department, commission, board, agency, or other entity of state government, there is earmarked a sum sufficient to fund any bill or resolution, that becomes law or is adopted, respectively, for which the Commissioner of Finance and Administration or the entity's chief fiscal officer certifies in writing that the cost of implementation of the bill or resolution will be funded within existing appropriations of the entity, within the availability of

revenues received by the entity, or within other existing budgetary resources. The certification shall include the source of obtaining the funds to provide for such appropriations. It is the legislative intent that such funding be earmarked for implementation of any such bills or resolutions in the fiscal years ending June 30, 2015 and June 30, 2016. This item shall take effect upon becoming law, the public welfare requiring it.

AND FURTHER AMEND by deleting the following language in Section 58, Item 1:

The appropriation in this item to the Comptroller of the Treasury for Property Tax Relief is contingent upon an annual income limit of fifty-two thousand five hundred dollars (\$52,500) for taxpayers defined in Tennessee Code Annotated, Section 67-5-704, being established for tax year 2016.

and substituting instead the following:

The appropriation in this item to the Comptroller of the Treasury for Property Tax Relief is contingent upon an annual income limit of sixty thousand dollars (\$60,000) for taxpayers defined in Tennessee Code Annotated, Section 67-5-704, being established for tax year 2015.

AND FURTHER AMEND by inserting the following language at the end of the first sentence in Section 44, Item 4:

"or for the project identified as SBC Project No. 529/005-01-2005"

AND FURTHER AMEND Section 44, Item 4 by inserting the following at the end of the item:

This item shall take effect upon becoming a law, the public welfare requiring it.

REVENUE FLUCTUATION RESERVE

AND FURTHER AMEND in Section 47, Item 2 by deleting the language "\$564,500,000" and inserting instead "\$568,000,000".

TENNCARE RESERVE

AND FURTHER AMEND by adding the following new item in Section 47:

Item _____. At June 30, 2015, the Commissioner of Finance and Administration is hereby authorized to transfer from the TennCare Reserve to the general fund the amount of \$6,079,500 to restore on a non-recurring basis a reimbursement reduction for pharmaceuticals.

LOTTERY FOR EDUCATION ACCOUNT

AND FURTHER AMEND by adding the following new items to Section 50:

1275

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Item 6. From the funds appropriated to the Lottery for Education Account, there is earmarked the sum of \$340,500 for the sole purpose of implementing Senate Bill 461 / House Bill 126, relative to Tennessee HOPE scholarships for dependent children of active members of the armed forces and national guard, if such bill becomes a law.

Item 7. From the funds appropriated to the Lottery for Education Account, there is earmarked the sum of \$469,500 for the sole purpose of implementing Senate Bill 624 / House Bill 945, relative to students receiving Tennessee HOPE scholarships, if such bill becomes a law.

HOUSEKEEPING –TYPOGRAPHICAL CORRECTIONS

AND FURTHER AMEND by inserting the language “(SB 60 / HB 55)” immediately after the language “(2 FT)” in line item 1 of Section 58, Item 1.

AND FURTHER AMEND in Section 63, Item 8, by inserting the word “in” between the language “and” and “Section 1, Title III-32 of this act,”.

AND FURTHER AMEND by requesting the Engrossing Clerk to:

(1) Delete the bold underlined explanatory headings in this amendment;
and

(2) Exclude this paragraph from the engrossed bill.

Rep. Sargent moved adoption of Amendment No. 1 to Finance, Ways & Means Committee Amendment No. 3 as follows:

Amendment No. 1 to Amendment No. 3

AMEND House Bill No. 1374 by adding the following new item at the end of Section 66:

Item _____. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$6,079,500 (non-recurring) to the Bureau of TennCare for the sole purpose of restoring a reimbursement reduction for pharmaceuticals.

On motion, Amendment No. 1 to Finance, Ways & Means Committee Amendment No. 3 was adopted.

On motion, Finance, Ways & Means Committee Amendment No. 3, as amended, was adopted.

Rep. Wirgau moved that House Amendment No. 4 be withdrawn, which motion prevailed.

Rep. Fitzhugh moved adoption of House Amendment No. 5 as follows:

1276

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Amendment No. 5

AMEND House Bill No. 1374 by deleting the language "\$568,000,000" in Section 47, Item 2 and substituting instead the language "516,555,000".

AND FURTHER AMEND by adding the following new sections immediately following Section 67 and renumbering the subsequent sections accordingly:

SECTION 68.

(a) In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of twenty million dollars (\$20,000,000) to the Secretary of State for the sole purpose of implementing the community enhancement grant program in accordance with the provisions of this section.

(b) Community enhancement grants shall only be available to support:

(1) Public safety activities, including, but not limited to, those related to local law enforcement, fire and life safety, programs designed to address local drug programs, advocacy for children and other vulnerable populations, and other criminal justice programs;

(2) Educational initiatives, including, but not limited to, those related to local schools and school support organizations, efforts to address significant local education issues such as summer reading programs, and other initiatives that address educational needs;

(3) Cultural activities, including, but not limited to, those related to enhancing opportunities provided by museums, libraries, and historic sites, and activities supporting other local cultural endeavors; or

(4) Community development activities, including, but not limited to, those related to serving the unique needs of various segments of the population, such as the elderly and youth, through supporting program offerings provided through local recreational and community facilities, senior citizens centers, boys and girls clubs, and the like as well as county and municipal infrastructure improvements such as road and bridge planning, construction and maintenance.

(c) Grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance.

(d) Notwithstanding any provision of this act to the contrary, a community enhancement grant to a governmental or non-governmental agency or entity shall not be disbursed until the recipient has filed with the Secretary of State a plan specifying the proposed use of such funds in accordance with the purposes enumerated in subsection (c) of this section and the benefits anticipated to be

derived therefrom. As a prerequisite to the receipt of such grant, the recipient shall agree to provide to the Secretary of State, within ninety (90) days of the close of the fiscal year within which such grant was received, an accounting of the actual expenditure of such funds, including a notarized statement that the report is true and correct in all material respects; provided, however, that the secretary may require, in lieu of the accounting as provided above, an audited financial statement of the governmental or non-governmental agency or entity. A copy of such accounting or audit, as the case may be, shall be filed with the Office of the Comptroller of the Treasury.

(e) No community enhancement grant shall be disbursed to a nongovernmental agency or entity until the recipient of such grant has presented evidence to the secretary that such recipient is a not-for-profit corporation, nonprofit association, or similar nonprofit organization. For purposes of this subsection (e), any one (1) of the following shall constitute evidence that a recipient is a not-for-profit corporation, nonprofit association, or similar non-profit organization:

(1) Documentation from the Internal Revenue Service recognizing the grant recipient as holding a determination of exemption as a 501(c) organization; such documentation shall be supported by an affidavit from the 501(c) organization's chair, president or chief administrative officer affirming that the organization's 501(c) status has not been revoked;

(2) A copy of the charter of a not-for-profit corporation;

(3) Documentation that a grant recipient holds property tax exempt status;

(4) A copy of organizational documents and any other documents that prove to the satisfaction of the secretary that a grant recipient has been in continuous and active existence as a nonprofit organization located in Tennessee for at least two (2) calendar years immediately preceding the fiscal year in which such grant shall be made; such documentation shall be supported by an affidavit signed by the organization's chair, president or chief administrative officer affirming that the organization has been in continuous and active existence in Tennessee for at least two (2) calendar years immediately preceding the fiscal year in which such grant shall be made; or

(5) An affidavit signed by the county mayor, or county executive, from the county where the grant recipient is located affirming that the grant recipient is a not-for-profit corporation, nonprofit association, or similar nonprofit organization.

(f) No community enhancement grant shall be disbursed to a church or other institution in which religion is so pervasive that a substantial portion of its functions are subsumed in the religious mission.

(g) Notwithstanding any provision of this act to the contrary, if multiple grants are allocated to the same recipient, then such recipient shall be awarded the sum total of such multiple grants.

(h) Grants shall be awarded in accordance with the following procedure:

(1) Organizations shall apply for grants to the Secretary of State no later than September 1, 2015, and shall include such information as the Secretary of State deems appropriate.

(2) The Secretary of State shall make grants to applicants as the secretary deems appropriate and in such amounts as the secretary determines appropriate. In making determinations relative to grant awards, the Secretary of State is authorized to take into account factors the secretary deems relevant, including the benefits of making the grant.

(3) The Secretary of State shall strive to ensure geographic diversity in grant distribution. To such end, it is the legislative intent that applicants in each state senate district receive approximately \$300,000 in total grants awarded and that applicants in each state house district receive approximately \$100,000 in total grants awarded.

SECTION 69.

Item 1. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$11,000,000 (non-recurring) to the Comptroller of the Treasury for the sole purpose of fully funding the property tax relief programs established in Tennessee Code Annotated, Sections 67-5-702, 67-5-703, and 67-5-704.

Item 2. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$3,000,000 (non-recurring) to the Department of Labor and Workforce Development for the sole purpose of establishing a pilot project providing meaningful summer work opportunities for youth in Tennessee. This item shall take effect upon becoming a law, the public welfare requiring it.

Item 3. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$500,000 (non-recurring) to the Department of Finance and Administration for the sole purpose of making a grant in such amount to the Tennessee Association of Human Resource Agencies to support senior meal programs.

Item 4. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$25,000 (non-recurring) to the Tennessee Economic Council on Women for the sole purpose of studying pay equity in Tennessee. It is the legislative intent that the council report any findings and recommendations to the governor and members of the general assembly by March 1, 2016.

Item 5. In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of \$16,920,000 (non-recurring) to provide each full-time state employee as of November 1, 2015, a one-time \$500 bonus to be paid prior to December 31, 2015.

SECTION 70. All revenues exceeding the increase in revenues estimated by the Legislative Fiscal Review Committee from Senate Bill 603 / House Bill 644 (Revenue Modernization Act), if such bill becomes a law, shall be appropriated as follows:

(1) 50% to the Highway Fund for the sole purpose of highway maintenance; and

(2) 50% to the Basic Education Program for the sole purpose of adding to the pool of funds for employee salary increases for teachers and other certified staff.

Rep. Sargent moved that House Amendment No. 5 be tabled, which motion prevailed by the following vote:

Ayes	63
Noes	27

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hill M., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Smith, Sparks, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Williams, Wirgau, Madam Speaker Harwell -- 63

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Dunlap, Fitzhugh, Hardaway, Hazlewood, Hill T., Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Sexton J., Shaw, Shepard, Stewart, Towns, Turner, Windle -- 27

Rep. Fitzhugh moved adoption of House Amendment No. 6 as follows:

Amendment No. 6

AMEND House Bill No. 1374 by deleting the language "\$568,000,000" in Section 47, Item 2 and substituting instead the language "548,000,000".

AND FURTHER AMEND by adding the following new section immediately following Section 67 and renumbering the subsequent sections accordingly:

SECTION 68.

(a) In addition to any other funds appropriated by the provisions of this act, there is appropriated the sum of twenty million dollars (\$20,000,000) to the

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This is a draft version of the House Journal and is to be considered UNOFFICIAL. It will become the official record of the House after it has been adopted by the House.

Secretary of State for the sole purpose of implementing the community enhancement grant program in accordance with the provisions of this section.

(b) Community enhancement grants shall only be available to support:

(1) Public safety activities, including, but not limited to, those related to local law enforcement, fire and life safety, programs designed to address local drug programs, advocacy for children and other vulnerable populations, and other criminal justice programs;

(2) Educational initiatives, including, but not limited to, those related to local schools and school support organizations, efforts to address significant local education issues such as summer reading programs, and other initiatives that address educational needs;

(3) Cultural activities, including, but not limited to, those related to enhancing opportunities provided by museums, libraries, and historic sites, and activities supporting other local cultural endeavors; or

(4) Community development activities, including, but not limited to, those related to serving the unique needs of various segments of the population, such as the elderly and youth, through supporting program offerings provided through local recreational and community facilities, senior citizens centers, boys and girls clubs, and the like as well as county and municipal infrastructure improvements such as road and bridge planning, construction and maintenance.

(c) Grant proceeds must be used for one (1) or more of the following purposes: programs, services, operating costs, equipment, construction, renovation and maintenance.

(d) Notwithstanding any provision of this act to the contrary, a community enhancement grant to a governmental or non-governmental agency or entity shall not be disbursed until the recipient has filed with the Secretary of State a plan specifying the proposed use of such funds in accordance with the purposes enumerated in subsection (c) of this section and the benefits anticipated to be derived therefrom. As a prerequisite to the receipt of such grant, the recipient shall agree to provide to the Secretary of State, within ninety (90) days of the close of the fiscal year within which such grant was received, an accounting of the actual expenditure of such funds, including a notarized statement that the report is true and correct in all material respects; provided, however, that the secretary may require, in lieu of the accounting as provided above, an audited financial statement of the governmental or non-governmental agency or entity. A copy of such accounting or audit, as the case may be, shall be filed with the Office of the Comptroller of the Treasury.

(e) No community enhancement grant shall be disbursed to a nongovernmental agency or entity until the recipient of such grant has presented evidence to the secretary that such recipient is a not-for-profit corporation,

nonprofit association, or similar nonprofit organization. For purposes of this subsection (e), any one (1) of the following shall constitute evidence that a recipient is a not-for-profit corporation, nonprofit association, or similar non-profit organization:

(1) Documentation from the Internal Revenue Service recognizing the grant recipient as holding a determination of exemption as a 501(c) organization; such documentation shall be supported by an affidavit from the 501(c) organization's chair, president or chief administrative officer affirming that the organization's 501(c) status has not been revoked;

(2) A copy of the charter of a not-for-profit corporation;

(3) Documentation that a grant recipient holds property tax exempt status;

(4) A copy of organizational documents and any other documents that prove to the satisfaction of the secretary that a grant recipient has been in continuous and active existence as a nonprofit organization located in Tennessee for at least two (2) calendar years immediately preceding the fiscal year in which such grant shall be made; such documentation shall be supported by an affidavit signed by the organization's chair, president or chief administrative officer affirming that the organization has been in continuous and active existence in Tennessee for at least two (2) calendar years immediately preceding the fiscal year in which such grant shall be made; or

(5) An affidavit signed by the county mayor, or county executive, from the county where the grant recipient is located affirming that the grant recipient is a not-for-profit corporation, nonprofit association, or similar nonprofit organization.

(f) No community enhancement grant shall be disbursed to a church or other institution in which religion is so pervasive that a substantial portion of its functions are subsumed in the religious mission.

(g) Notwithstanding any provision of this act to the contrary, if multiple grants are allocated to the same recipient, then such recipient shall be awarded the sum total of such multiple grants.

(h) Grants shall be awarded in accordance with the following procedure:

(1) Organizations shall apply for grants to the Secretary of State no later than September 1, 2015, and shall include such information as the Secretary of State deems appropriate.

(2) The Secretary of State shall make grants to applicants as the secretary deems appropriate and in such amounts as the secretary determines appropriate. In making determinations relative to grant

awards, the Secretary of State is authorized to take into account factors the secretary deems relevant, including the benefits of making the grant.

(3) The Secretary of State shall strive to ensure geographic diversity in grant distribution. To such end, it is the legislative intent that applicants in each state senate district receive approximately \$300,000 in total grants awarded and that applicants in each state house district receive approximately \$100,000 in total grants awarded.

Rep. Sargent moved that House Amendment No. 6 be tabled, which motion prevailed by the following vote:

Ayes	65
Noes.....	26

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Rogers, Sanderson, Sargent, Sexton C., Smith, Sparks, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 65

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Dunlap, Fitzhugh, Hardaway, Hill T., Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Reedy, Sexton J., Shaw, Shepard, Stewart, Towns, Turner -- 26

Rep. Fitzhugh moved adoption of House Amendment No. 7 as follows:

Amendment No. 7

AMEND House Bill No. 1374 by adding the following new section immediately following Section 67 and renumbering the subsequent sections accordingly:

SECTION 68. It is the legislative intent that the governor continue negotiations with CMS in order to procure a written agreement concerning TennCare Demonstration Amendment #25 and return such agreement to the General Assembly for approval or disapproval.

Rep. Sargent moved that House Amendment No. 7 be tabled, which motion prevailed by the following vote:

Ayes	68
Noes.....	22

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Lamberth, Littleton, Lundberg, Lynn, Marsh, Matlock,

THURSDAY, APRIL 16, 2015 – TWENTY-FIFTH LEGISLATIVE DAY UNOFFICIAL VERSION

McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Smith, Sparks, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Williams, Windle, Wirgau, Womick, Madam Speaker Harwell -- 68

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Fitzhugh, Hardaway, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Shaw, Shepard, Stewart, Towns, Turner -- 22

Rep. Todd moved the previous question, which motion prevailed by the following vote:

Ayes	61
Noes.....	24

Representatives voting aye were: Alexander, Beck, Brooks K., Butt, Calfee, Carter, Casada, Coley, Daniel, Doss, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Pody, Ragan, Ramsey, Reedy, Sanderson, Sargent, Sexton J., Shaw, Smith, Sparks, Spivey, Swann, Todd, Travis, Weaver, White D., White M., Williams, Wirgau, Womick, Madam Speaker Harwell -- 61

Representatives voting no were: Akbari, Armstrong, Camper, Clemmons, Cooper, DeBerry, Dunlap, Dunn, Fitzhugh, Hardaway, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Rogers, Shepard, Stewart, Turner, Van Huss, Windle -- 24

Rep. Sargent moved that **House Bill No. 1374**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	80
Noes.....	12

Representatives voting aye were: Akbari, Alexander, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Coley, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Miller, Mitchell, Moody, Pitts, Pody, Powell, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Williams, Wirgau, Madam Speaker Harwell -- 80

Representatives voting no were: Armstrong, Clemmons, Cooper, Fitzhugh, Hardaway, Jones, Parkinson, Stewart, Towns, Turner, Windle, Womick -- 12

A motion to reconsider was tabled.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "aye" to "no" on the motion to table Amendment No. 5 to **House Bill No. 1374** and have this statement entered in the Journal: Rep. Moody.

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "not voting" to "aye" on the previous question on **House Bill No. 1374** and have this statement entered in the Journal: Rep. Moody.

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "not voting" to "aye" on **House Bill No. 1374** and have this statement entered in the Journal: Rep. Love.

REGULAR CALENDAR, CONTINUED

***House Bill No. 1375** -- Bond Issues - As introduced, authorizes the state to issue and sell bonds of up to \$521.4 million. by *Sargent, *McCormick. (SB1400 by *Norris, *McNally)

Rep. Sargent moved that House Bill No. 1375 be passed on third and final consideration.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1375 by deleting fifth, sixth and seventh paragraphs of the preamble and inserting the following language:

WHEREAS, the department intends to enter into agreements with Nissan North America, Inc. to locate a new facility in the County of Rutherford; and

WHEREAS, this new facility will provide a substantial number of jobs and promote further economic growth, employment and community development not only in Rutherford County but in the State as a whole; and

WHEREAS, the General Assembly finds that making grants to the Industrial Development Board of the County of Rutherford, Tennessee, for acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development in support of the location of Nissan North America, Inc., in Tennessee, in accordance with agreements with them to be entered into and approval of the project by the State Building Commission, will serve the public purpose of promoting economic and community development in the State and for its inhabitants as a body and is related to the function of the Department of Economic and Community Development in furthering such growth; now, therefore,

AND FURTHER AMEND by deleting Section 4 and by substituting instead the following:

SECTION 4. The proceeds of any and all issues of bonds herein authorized shall be allocated to the following departments:

(1) Department of Finance and Administration in the amount of two hundred thirty-six million eight hundred thousand dollars (\$236,800,000) and expended for the purposes of acquisition of equipment and sites, and erection, construction and equipment of sites and buildings, expressly including the acquisition of existing structures for expansion, improvements, betterments and extraordinary repairs to existing structures, and for the purpose of making grants to any county, metropolitan government, incorporated town, city, special district of the state, or any governmental agency or instrumentality of any of them, if such project grant is approved by the State Building Commission. Such grants so identified and approved are determined to be for a public purpose.

(2) Department of Finance and Administration in the amount of one hundred sixty-five million eight hundred thousand dollars (\$165,800,000) and expended for the purpose of making grants to The Industrial Development Board of the City of Chattanooga for the Volkswagen Group of America Chattanooga Operations, LLC. project and expended for the purpose of acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development, including, but not limited to, sewer, water, utility, and rail infrastructure, whether or not such infrastructure is owned by the Industrial Development Board of the City of Chattanooga.

(3) Department of Finance and Administration in the amount of thirty-five million dollars (\$35,000,000) and expended for the purpose of making grants to The Industrial Development Board of the County of Rutherford for the Nissan North America, Inc. project and expended for the purpose of acquisition of equipment and acquisition, site preparation, erection, construction and equipment of sites and buildings, and infrastructure improvements and development, including, but not limited to, sewer, water, utility, and rail infrastructure, whether or not such infrastructure is owned by the Industrial Development Board of the County of Rutherford.

(4) Department of Transportation in the amount of eighty-three million eight hundred thousand dollars (\$83,800,000) and expended for the construction of highways and for the purpose of acquisition of equipment and sites, and erection, construction and equipment of sites and buildings, expressly including the acquisition of existing structures for expansion, improvements, betterments and extraordinary repairs to existing structures, and repair, replacement or rehabilitation of bridges. In its discretion the funding board is authorized to issue bonds in amounts not to exceed 2.5% of the amounts specified above, the proceeds of which are to be allocated to such departments as determined by the

funding board and expended for the purpose of funding discount and the costs of issuance.

On motion, Finance, Ways & Means Committee Amendment No. 1 was adopted.

Rep. Todd moved the previous question, which motion prevailed.

Rep. Sargent moved that **House Bill No. 1375**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes 92
Noes..... 0

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulse, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Sparks, Spivey, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 92

A motion to reconsider was tabled.

EXCUSED

The Speaker announced that the following member has been excused, pursuant to request under **Rule No. 20**:

Representative Williams

POINT OF ORDER

Rep. Stewart calls for a point of order to get a ruling on whether an amendment fits within the caption of House Bill No. 1376. The Chief Clerk rules the amendment is within the scope of the bill.

REGULAR CALENDAR, CONTINUED

***House Bill No. 1376** -- Public Funds and Financing - As introduced, authorizes use of state land acquisition fund for capital projects, including improvements and maintenance, at state parks; revises other various provisions in order to implement the annual appropriations acts. - Amends TCA Title 4; Title 5; Title 6; Title 8; Title 9; Title 10; Title 11; Title 12; Title 13; Title 16; Title 17; Title 18; Title 29; Title 33; Title 36; Title 37; Title 38; Title 39; Title 40; Title 41; Title 43; Title 45; Title 47; Title 48; Title 49; Title 50; Title 53; Title 54; Title 55; Title 56; Title 57;

Title 58; Title 59; Title 60; Title 62; Title 63; Title 64; Title 65; Title 66; Title 67; Title 68; Title 69; Title 70 and Title 71. by *Sargent, *McCormick. (SB1401 by *Norris, *McNally)

Rep. Sargent moved that House Bill No. 1376 be passed on third and final consideration.

Rep. Sargent moved adoption of Finance, Ways & Means Committee Amendment No. 1 as follows:

Amendment No. 1

AMEND House Bill No. 1376 by inserting the following new sections immediately preceding the penultimate section and renumbering the subsequent sections accordingly:

SECTION ___. Tennessee Code Annotated, Title 9, Chapter 4, Part 51, is amended by adding the following new section:

9-4-5115.

No state funds received by a local government unit shall be expended to pay attorney's fees, court costs, or other expenses attributable to a lawsuit filed against the state, a state agency, or a state official in which the local government unit is named as a plaintiff. If the state, agency, or official prevails in the lawsuit, then the department of finance and administration shall deduct from the local government unit's allocation of state-shared taxes, in the case of a city or county, or allocation of funds based on the Basic Education Program (BEP) formula, in the case of an LEA, such sum or part of such sum to recover attorney's fees, court costs, and other expenses attributable to defending the state in the lawsuit. As used in this section, "local government unit" means a county, municipality, or local education agency (LEA) as defined in § 49-1-103.

SECTION ___. Tennessee Code Annotated, Section 67-4-409(j)(3), is amended by adding the following language to the end of the subdivision:

The next two hundred fifty thousand dollars (\$250,000) deposited in the state lands acquisition fund in each fiscal year shall be transferred and credited to the Tennessee Civil War or War Between the States site preservation fund created under § 4-11-112. Funds allocated to the preservation fund shall be used exclusively as provided in § 4-11-112.

Rep. Haynes moved the previous question on Amendment No. 1.

On motion, Finance, Ways & Means Committee Amendment No. 1 was adopted by the following vote:

Ayes 64
Noes 25

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Sparks, Spivey, Swann, Terry, Todd, Travis, Weaver, White D., White M., Wilburn, Wirgau, Womick, Madam Speaker Harwell -- 64

Representatives voting no were: Akbari, Armstrong, Beck, Byrd, Camper, Clemmons, Cooper, Dunlap, Fitzhugh, Hardaway, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Shaw, Shepard, Stewart, Towns, Turner, Van Huss, Windle -- 25

Rep. Armstrong moved adoption of House Amendment No. 2 as follows:

Amendment No. 2

AMEND House Bill No. 1376 by deleting the language:

9-4-5115.

No state funds received by a local government unit shall be expended to pay attorney's fees, court costs, or other expenses attributable to a lawsuit filed against the state, a state agency, or a state official in which the local government unit is named as a plaintiff. If the state, agency, or official prevails in the lawsuit, then the department of finance and administration shall deduct from the local government unit's allocation of state-shared taxes, in the case of a city or county, or allocation of funds based on the Basic Education Program (BEP) formula, in the case of an LEA, such sum or part of such sum to recover attorney's fees, court costs, and other expenses attributable to defending the state in the lawsuit. As used in this section, "local government unit" means a county, municipality, or local education agency (LEA) as defined in § 49-1-103.

and substituting instead the language:

9-4-5115.

(a) No state funds received by a local government unit shall be expended to pay attorney's fees, court costs, or other expenses attributable to a lawsuit filed against the state, a state agency, or a state official in which the local government unit is named as a plaintiff.

(b) If the state, a state agency, or a state official prevails in a lawsuit filed by a local government unit against the state, a state agency, or a state official and a final order is entered against the local government unit that awards attorney's fees, court costs, or other expenses, then the department of finance and administration shall deduct

from the local government unit's allocation of state-shared taxes, in the case of a city or county, or allocation of funds based on the Basic Education

Program (BEP) formula, in the case of an LEA, such sum or part of such sum to recover the attorney's fees, court costs, and other expenses awarded by the court.

(c) For purposes of this section, "local government unit" means a county, municipality, or local education agency (LEA) as defined in § 49-1-103.

Rep. Sargent moved that House Amendment No. 2 be tabled, which motion prevailed by the following vote:

Ayes	63
Noes.....	25

Representatives voting aye were: Alexander, Brooks H., Brooks K., Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton J., Smith, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Wirgau, Womick, Madam Speaker Harwell -- 63

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Dunlap, Fitzhugh, Hardaway, Jernigan, Jones, Keisling, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Shaw, Shepard, Stewart, Towns, Turner, Windle -- 25

Rep. Fitzhugh moved to divide the question on House Bill No. 1376, which was ruled out of order pursuant to **Rule No. 34**.

Rep. Todd moved the previous question, which motion prevailed by the following vote:

Ayes	65
Noes.....	24

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, DeBerry, Doss, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Smith, Spivey, Swann, Terry, Todd, Travis, Weaver, White D., White M., Wilburn, Wirgau, Womick, Madam Speaker Harwell -- 65

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, Dunlap, Fitzhugh, Hardaway, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Shaw, Shepard, Stewart, Towns, Turner, Van Huss, Windle -- 24

Rep. Sargent moved that **House Bill No. 1376**, as amended, be passed on third and final consideration, which motion prevailed by the following vote:

Ayes	71
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Noes..... 20

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, DeBerry, Doss, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Wirgau, Womick, Madam Speaker Harwell -- 71

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, Dunlap, Fitzhugh, Hardaway, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Stewart, Towns, Turner, Windle -- 20

A motion to reconsider was tabled.

MESSAGE CALENDAR

HOUSE ACTION ON SENATE AMENDMENTS

House Bill No. 84 -- General Services, Dept. of - As introduced, authorizes public institutions of higher education and the department to participate in, sponsor, conduct, or administer cooperative purchasing agreements with other states or local governments for the procurement of certain goods or services; revises the protest process for challenging a solicitation, award, or proposed award of a state contract; revises provisions governing authorized limitations of liability in certain state contracts. - Amends TCA Title 12, Chapter 2, Part 1; Title 12, Chapter 3, Part 5 and Title 12, Chapter 3, Part 7. by *McCormick, *Brooks K, *Haynes, *Ragan, *Hardaway, *Love, *Daniel. (*SB95 by *Norris, *Tate)

Senate Amendment No. 1

AMEND House Bill No. 84 by deleting the language "Tennessee small business" from the first and second sentences in subsection (g) of SECTION 3 and substituting instead the language "small business".

AND FURTHER AMEND by deleting SECTION 1 of the bill and redesignating the remaining sections accordingly.

Rep. Haynes moved that the House concur in Senate Amendment No. 1 to **House Bill No. 84**, which motion prevailed by the following vote:

Ayes 89

Noes..... 0

Representatives voting aye were: Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Fitzhugh, Forgety, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Spivey, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 89

A motion to reconsider was tabled.

HOUSE ACTION ON SENATE AMENDMENTS

***House Bill No. 137** -- Eminent Domain - As introduced, requires actions brought by a landowner for a jury of inquest or damages to be brought within 12 months after the land has been actually taken possession of and the work of proposed improvement begun. - Amends TCA Title 29, Chapter 16. by *Lamberth, *Howell, *Reedy, *Keisling, *Hardaway. (SB287 by *Stevens)

Senate Amendment No. 1

AMEND House Bill No. 137 by deleting the language "All actions brought" in the amendatory language of Section 1 and substituting instead the language "All actions that could be brought".

Rep. Lamberth moved that the House concur in Senate Amendment No. 1 to **House Bill No. 137**, which motion prevailed by the following vote:

Ayes 84
Noes..... 5
Present and not voting..... 1

Representatives voting aye were: Akbari, Alexander, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Miller, Moody, Parkinson, Pitts, Pody, Powell, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Spivey, Swann, Terry, Todd, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 84

Representatives voting no were: Armstrong, Haynes, Mitchell, Stewart, Towns -- 5

Representatives present and not voting were: Daniel -- 1

A motion to reconsider was tabled.

JOURNAL CORRECTION

Without objection, the Speaker requested that the Journal reflect that Rep. Armstrong voted "no" on **House Bill No. 137**.

REQUEST TO CHANGE VOTE

Pursuant to **Rule No. 31**, the following member desires to change their original stand from "present and not voting" to "no" on **House Bill No. 137** and have this statement entered in the Journal: Rep. Daniel.

MESSAGE CALENDAR, CONTINUED

HOUSE ACTION ON SENATE MESSAGES

***House Bill No. 995** -- Firearms and Ammunition - As introduced, allows a person with a handgun carry permit to carry a firearm in any state, county, or municipal park or other recreation area; deletes provisions allowing local governments to prohibit carrying in parks by resolution or ordinance. - Amends TCA Title 39, Chapter 17, Part 13. by *Harrison, *Holsclaw, *Goins, *Dunn, *Todd, *Lundberg, *Haynes, *Eldridge. (SB1171 by *Stevens, *Gresham, *Ketron)

Rep. Goins moved adoption of the majority conference committee report on House Bill No. 995.

Rep. Goins withdrew his motion to adopt.

Rep. Love moved adoption of the minority conference committee report as follows:

MINORITY CONFERENCE COMMITTEE REPORT ON HOUSE BILL NO. 995

The House and Senate Conference Committee appointed pursuant to motions to resolve the differences between the two houses on House Bill No. 995 (Senate Bill No. 1171) has met and recommends that the following amendments be deleted:

House Amendment No. 1 and Senate Amendment No. 2

The Committee further recommends that the following amendment be adopted:

by deleting all language following the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 39-17-1311, is amended by deleting from subdivision (b)(1)(J)(ii) the word “transversing” and substituting instead the word “traversing”.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

Rep. Harrison moved that the minority conference committee report on **House Bill No. 995** be tabled, which motion prevailed by the following vote:

Ayes	67
Noes.....	24

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 67

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Fitzhugh, Hardaway, Hazlewood, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Shaw, Shepard, Smith, Stewart, Towns, Turner -- 24

Rep. Goins moved adoption of the majority conference committee report on House Bill No. 995.

**CONFERENCE COMMITTEE REPORT
ON HOUSE BILL NO. 995**

The House and Senate Conference Committee appointed pursuant to motions to resolve the differences between the two houses on House Bill No. 995 (Senate Bill No. 1171) has met and recommends that the following amendments be deleted:
House Amendment No. 1 and Senate Amendment No. 2

The Committee further recommends that the following amendment be adopted:

by deleting all language following the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 39-17-1311(b)(1), is amended by deleting subdivision (H) and substituting instead the following:

(H)

(i) Persons possessing a handgun, who are authorized to carry the handgun pursuant to § 39-17-1351, while within or on a public park, natural

area, historic park, nature trail, campground, forest, greenway, waterway, or other similar public place that is owned or operated by the state, a county, a municipality, or instrumentality of the state, a county, or municipality.

(ii) Subdivision (b)(1)(H)(i) shall not apply if the permit holder:

(a) Possessed a handgun in the immediate vicinity of property that was, at the time of possession, in use by any board of education, school, college or university board of trustees, regents, or directors for the administration of any public or private educational institution for the purpose of conducting an athletic event or other school-related activity on an athletic field, permanent or temporary, including but not limited to, a football or soccer field, tennis court, basketball court, track, running trail, Frisbee field, or similar multi-use field; and

(b) Knew or should have known the athletic activity or school-related activity described in subdivision (b)(1)(H)(a) was taking place on the property; or

(c) Failed to take reasonable steps to leave the area of the athletic event or school-related activity after being informed of or becoming aware of its use;

SECTION 2. Tennessee Code Annotated, Section 39-17-1311, is amended by deleting subsections (c), (d), and (e) in their entireties and redesignating accordingly.

SECTION 3. Tennessee Code Annotated, Section 39-17-1309, is amended by deleting from subdivision (b)(1) and subdivision (c)(1)(A) the language “or any other property owned, used or operated by” and substituting instead the language “or any other property owned, operated, or while in use by”.

SECTION 4. Tennessee Code Annotated, Section 39-17-1309, is amended by adding the following new subdivision to subsection (e):

()

(A) Persons possessing a handgun, who are authorized to carry the handgun pursuant to § 39-17-1351, while within or on a public park, natural area, historic park, nature trail, campground, forest, greenway, waterway, or other similar public place.

(B) Subdivision (A) shall not apply if the permit holder:

(i) Possessed a handgun on property described in () (A) that is owned or operated by a board of education, school, college, or university board of trustees, regents, or directors unless the permit holder’s possession is otherwise excepted by this subsection; or

(ii) Possessed a handgun in the immediate vicinity of property that was, at the time of possession, in use by any board of education, school, college or university board of trustees, regents, or directors for the

administration of any public or private educational institution for the purpose of conducting an athletic event or other school-related activity on an athletic field, permanent or temporary, including but not limited to, a football or soccer field, tennis court, basketball court, track, running trail, Frisbee field, or any similar multi-use field; and

(iii) Knew or should have known that:

(a) An athletic event or school-related activity described in subdivision (e)(B)(ii) was taking place on the property at the time of the possession; or

(b) The property on which the possession occurred was owned or operated by a school entity described in (e)(B)(ii); or

(iv) Failed to take reasonable steps to leave the area of the athletic field or school-related activity or the property after being informed or becoming aware of:

(a) Its use for athletic or school-related purposes;

or

(b) That it was, at the time of the possession, owned or operated by a school entity described in (e)(B)(ii).

SECTION 5. Tennessee Code Annotated, Section 39-17-1311, is amended by deleting from subdivision (b)(1)(J)(ii) the word “transversing” and substituting instead the word “traversing”.

SECTION 6. Any department of state government may, but is not required to, change, remove, or replace signs as a result of Sections 1 or 4 of this act prior to the time the signs are regularly scheduled to be changed, replaced, or removed or are required to be changed, replaced, or removed by any other law or due to destruction or theft; provided, that the general assembly may specifically provide funds for the purpose of removing or replacing signs in a general appropriations act.

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it.

Rep. Todd moved the previous question, which motion prevailed by the following vote:

Ayes	68
Noes	20

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Ramsey, Reedy, Rogers,

Sargent, Sexton C., Sexton J., Smith, Spivey, Swann, Terry, Todd, Travis, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 68

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Hardaway, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Shepard, Stewart, Towns, Turner -- 20

Rep. Goins moved that the Majority Conference Committee Report on **House Bill No. 995** be adopted and made the action of the House, which motion prevailed by the following vote:

Ayes	62
Noes.....	25
Present and not voting.....	3

Representatives voting aye were: Alexander, Brooks H., Brooks K., Butt, Byrd, Calfee, Carter, Casada, Coley, Daniel, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Forgety, Goins, Gravitt, Halford, Harrison, Hawk, Haynes, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Johnson, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Lundberg, Lynn, Marsh, Matlock, McCormick, McManus, Moody, Pody, Ragan, Reedy, Rogers, Sargent, Sexton C., Sexton J., Spivey, Terry, Todd, Travis, Van Huss, Weaver, White D., Wilburn, Windle, Wirgau, Womick -- 62

Representatives voting no were: Akbari, Armstrong, Beck, Camper, Clemmons, Cooper, DeBerry, Fitzhugh, Hardaway, Hazlewood, Jernigan, Jones, Love, Miller, Mitchell, Parkinson, Pitts, Powell, Ramsey, Shaw, Shepard, Stewart, Towns, Turner, Madam Speaker Harwell -- 25

Representatives present and not voting were: Smith, Swann, White M. -- 3

A motion to reconsider was tabled.

SPONSORS ADDED

Under **Rule No. 43**, the following members were permitted to add their names as sponsors as indicated below, the prime sponsor of each having agreed to such addition:

House Bill No. 10 Rep. Pody as prime sponsor.

House Bill No. 138 Rep. Kane as second prime sponsor.

House Bill No. 852 Reps. Jernigan, Parkinson, Mitchell, Akbari, Jones, Pitts, Stewart, Beck, Shepard, Love, Hardaway, Clemmons as prime sponsors.

House Bill No. 853 Rep. Hardaway as prime sponsor.

House Bill No. 854 Reps. Johnson, Kane, Moody, Terry, Haynes, Todd, Travis, Fitzhugh, Goins and Parkinson as prime sponsors.

House Bill No. 992 Rep. Reedy as prime sponsor.

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House Bill No. 1049 Reps. Durham, Daniel, Womick, Pody and H. Brooks as prime sponsors.

House Bill No. 1368 Rep. J. Sexton as prime sponsor.

SPONSORS REMOVED

On motion, Rep. Eldridge was removed as sponsor of **House Bill No. 1049**.

ENGROSSED BILLS

April 16, 2015

MADAM SPEAKER: The following bills have been examined, engrossed and are ready for transmission to the Senate: House Bill No. 122;

GREG GLASS, Chief Engrossing Clerk

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to return to the House, House Joint Resolution No. 105; concurred in by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Joint Resolution No. 329; adopted, for the House's action.

RUSSELL A. HUMPHREY, Chief Clerk

Senate Joint Resolution No. 329 -- Memorials, Congratulations - Foothills Elementary School, National Blue Ribbon School. by *Overbey.

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to return to the House, House Joint Resolution No. 344; concurred in by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

REPORT OF CHIEF ENGROSSING CLERK

April 16, 2015

MADAM SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have transmitted to the Governor the following: House Joint Resolutions Nos. 150, 249, 250, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 266, 268, 269, 270, 272, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 315 and 316; for his action.

GREG GLASS, Chief Engrossing Clerk

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Joint Resolution No. 335; adopted, for the House's action.

RUSSELL A. HUMPHREY, Chief Clerk

Senate Joint Resolution No. 335 -- Memorials, Interns - De'Antre Harleston. by *Yarbro.

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Bill No. 1; passed by the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

***Senate Bill No. 1** -- Judges and Chancellors - As introduced, establishes the procedure for the appointment, confirmation, and retention of appellate court judges pursuant to Article VI, Section 3 of the Constitution of Tennessee. - Amends TCA Title 2; Title 4; Title 6; Title 16; Title 17 and Title 38. by *Kelsey. (HB142 by *Lundberg)

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: The Senate moved to lift from the table the motion to reconsider on HB 41. The Senate moved to reconsider its action in passing HB 41. The Senate adopted Amendment(s) 3. The Senate repassed HB 41 as amended.

RUSSELL A. HUMPHREY, Chief Clerk

SIGNED

April 16, 2015

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THURSDAY, APRIL 16, 2015 – TWENTY-FIFTH LEGISLATIVE DAY UNOFFICIAL VERSION

The Speaker announced that she had signed the following: House Bills Nos. 51, 425, 642, 745, 838, 880, 1225 and 1307.

GREG GLASS, Chief Engrossing Clerk

**SIGNED
April 16, 2015**

The Speaker announced that she had signed the following: Senate Bills Nos. 20, 78, 92, 97, 140, 179, 202, 208, 281, 307, 334, 363, 368, 373, 374, 422, 436, 474, 582, 597, 599, 641, 647, 666, 720, 724, 789, 852, 878, 985, 1000, 1109, 1110, 1246, 1265, 1271, 1273, 1274 and 1297.

JOE MCCORD, Chief Clerk

**SIGNED
April 16, 2015**

The Speaker announced that she had signed the following: Senate Bills Nos. 81, 108, 177, 318, 341, 428, 598 and 1172.

JOE MCCORD, Chief Clerk

**ENGROSSED BILLS
April 16, 2015**

MADAM SPEAKER: The following bills have been examined, engrossed and are ready for transmission to the Senate: House Bill No. 1011;

GREG GLASS, Chief Engrossing Clerk

**MESSAGE FROM THE GOVERNOR
April 16, 2015**

MADAM SPEAKER: I am directed by the Governor to return herewith: House Bills Nos. 108, 113, 119, 163, 253, 354, 408, 429, 537, 554, 918, 1158 and 1233; also House Joint Resolution No. 265; with his approval.

DWIGHT E. TARWATER, Legal Counsel to the Governor

**MESSAGE FROM THE GOVERNOR
April 16, 2015**

MADAM SPEAKER: I am directed by the Governor to return herewith: House Joint Resolutions Nos. 150, 249, 250, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 266, 268, 269, 270, 272, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 315 and 316; with his approval.

DWIGHT E. TARWATER, Legal Counsel to the Governor
1300

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ENGROSSED BILLS

April 16, 2015

MADAM SPEAKER: The following bills have been examined, engrossed and are ready for transmission to the Senate: House Joint Resolution No. 386;

GREG GLASS, Chief Engrossing Clerk

ENGROSSED BILLS

April 16, 2015

MADAM SPEAKER: The following bills have been examined, engrossed and are ready for transmission to the Senate: House Bill No. 1374;

GREG GLASS, Chief Engrossing Clerk

ENGROSSED BILLS

April 16, 2015

MADAM SPEAKER: The following bills have been examined, engrossed and are ready for transmission to the Senate: House Bill No. 1375;

GREG GLASS, Chief Engrossing Clerk

ENGROSSED BILLS

April 16, 2015

MADAM SPEAKER: The following bills have been examined, engrossed and are ready for transmission to the Senate: House Bill No. 1376;

GREG GLASS, Chief Engrossing Clerk

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Joint Resolution No. 346; adopted, for the House's action.

RUSSELL A. HUMPHREY, Chief Clerk

Senate Joint Resolution No. 346 -- General Assembly, Recess & Reconvene - Recesses Senate from April 16, 2015, until April 21, 2015. by *Norris.

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This is a draft version of the House Journal and is to be considered UNOFFICIAL. It will become the official record of the House after it has been adopted by the House.

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to return to the House, House Bill No. 995 The Senate adopted the Conference Committee Report and made it the action of the Senate.

RUSSELL A. HUMPHREY, Chief Clerk

MESSAGE FROM THE SENATE

April 16, 2015

MADAM SPEAKER: I am directed to transmit to the House, Senate Joint Resolution No. 347; adopted, for the House's action.

RUSSELL A. HUMPHREY, Chief Clerk

Senate Joint Resolution No. 347 -- Memorials, Retirement - Michael Kyle. by *Kyle.

REPORT OF CHIEF ENGROSSING CLERK

April 16, 2015

MADAM SPEAKER: Your Chief Engrossing Clerk begs leave to report that we have transmitted to the Governor the following: House Bills Nos. 6, 36, 52, 314, 330, 670, 699, 796, 830, 865, 874, 968, 987, 1003, 1125, 1377 and 1386; for his action.

GREG GLASS, Chief Engrossing Clerk

ROLL CALL

The roll call was taken with the following results:

Present..... 90

Representatives present were Akbari, Alexander, Armstrong, Beck, Brooks H., Brooks K., Butt, Byrd, Calfee, Camper, Carter, Casada, Clemmons, Coley, Cooper, Daniel, DeBerry, Doss, Dunlap, Dunn, Durham, Eldridge, Faison, Farmer, Fitzhugh, Forgety, Goins, Gravitt, Halford, Hardaway, Harrison, Hawk, Haynes, Hazlewood, Hill M., Hill T., Holsclaw, Holt, Howell, Hulsey, Jernigan, Johnson, Jones, Kane, Keisling, Kumar, Lamberth, Littleton, Lollar, Love, Lundberg, Marsh, Matlock, McCormick, McManus, Miller, Mitchell, Moody, Parkinson, Pitts, Pody, Powell, Ragan, Ramsey, Reedy, Rogers, Sanderson, Sargent, Sexton C., Sexton J., Shaw, Shepard, Smith, Spivey, Stewart, Swann, Terry, Todd, Towns, Travis, Turner, Van Huss, Weaver, White D., White M., Wilburn, Windle, Wirgau, Womick, Madam Speaker Harwell -- 90

RECESS

On motion of Rep. McCormick, the House stood in recess until 3:00 p.m., Monday, April 20, 2015.

